



嘉新企業團
CHIA HSIN CEMENT GROUP

2025 SUSTAINABILITY REPORT

CHIA HSIN CEMENT CORPORATION



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Cover Design Description

The cover design centers on Chia Hsin Cement's headquarters building as its primary visual focus, integrating hand-drawn elements with watercolor shading to symbolize the Company's enduring legacy and deep-rooted presence along Zhongshan North Road for over seven decades. The architectural imagery reflects the headquarters' achievements in 2025, including dual green building certifications and recognition for near-zero carbon building design.

The heart-shaped motif on the back cover echoes the "HEART" installation art at the hotel entrance, collectively highlighting two key landmark locations in Taiwan and Okinawa. The composition further incorporates warm family imagery and human-centered line art, underscoring the Company's recognized performance in talent sustainability and the creation of a friendly workplace under the Social (S) dimension of ESG.

Rendered in a warm and vibrant color palette, the overall design seamlessly balances the rational foundations of architecture with a humanistic sensibility. It conveys Chia Hsin Cement's core values of a "people-oriented" philosophy and "sustainable governance," reinforcing the Company's long-term commitment to collaborating with society to build a high-quality and sustainable way of life.

01 Sustainable Development

1.1 About The Report

Chia Hsin Cement Corporation (TWSE: 1103), together with its affiliated companies (collectively referred to as CHC), publishes the 2025 Sustainability Report to provide stakeholders with a comprehensive understanding of the Group's commitment to sustainable development. Built upon the principles of transparency and integrity, this Report presents our sustainability performance by integrating business development with our achievements in corporate governance, environmental stewardship, and social responsibility.

Reporting Period

- Reporting Period: January 1, 2025 to December 31, 2025
- Previous Report Issued: May 2025
- Current Report Issued: August 2026 (10th edition)
- Next Report Expected: August 2027

Reporting Frameworks

Issuing Organization	Framework / Standard
Global Report Initiative, GRI	GRI Standards 2021
Sustainability Accounting Standards Board, SASB	Construction Materials Standard, Hotels & Lodging Standard, Professional & Commercial Services Standard, Real Estate Services Standard
Task Force on Climate-related Financial Disclosures, TCFD	Recommendations of the TCFD
Taiwan Stock Exchange (TWSE)	Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies

Reporting Boundary and Scope

- ▶ **Reporting Boundary:** Unless otherwise specified, the scope of this Report is consistent with the entities included in the consolidated financial statements of Chia Hsin Cement Corporation. Employee welfare disclosures may vary depending on the applicable laws and regulations of each subsidiary's operating jurisdiction.
- ▶ **Financial Information:** Financial information presented in this Report is based on the Company's audited consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRSs) as endorsed by the Financial Supervisory Commission (FSC) and the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
- ▶ **Reporting Notes:**
 1. Unless otherwise specified, all monetary amounts presented in this Report are denominated in New Taiwan Dollars (NTD).
 2. Certain employee welfare programs described in the Section 4.2.2 are administered through the Employee Welfare Committee and are available to full-time employees of Chia Hsin Cement Corporation who have completed at least three months of service.

3. All disclosed information has been reviewed by the responsible senior management of each department and approved by both the Sustainable Development Committee and the Board of Directors prior to publication.
4. Following the inclusion of additional water consumption data for Hotel Collective, water consumption data for 2023 and 2024 have been restated. The restatement has no material impact on the overall trend.

► Responsible Department: Sustainable Development Office

► Editorial and Review Team:

Chia Hsin Cement Corporation: Sustainable Development Office, People and Culture Division, Legal Division, Finance and Accounting Division, Administration Division, Headquarters Office, IT Division, Board Secretariat, Audit Office

Consolidated Subsidiaries: Chia Hsin Property Management & Development Corp., Tong Yang Chia Hsin Intl. Corp., Chia Pei Intl. Corp., Jaho Life Plus+ Management Corp., YJ Intl. Corp., Hotel Collective, Chia Hsin Business Consulting (Shanghai) Co., Ltd., Shanghai Jia Huan Concrete Co., Ltd., Jiangsu Jiaguo Construction Material & Storage Co., Ltd., Shanghai Chia Hsin Ganghui Co., Ltd., Shanghai Chia Peng Healthcare Management Consulting Co., Ltd., Chia Peng Gemcare Maternity (Yangzhou) Co., Ltd.

External Assurance

This Report has been independently assured by BSI Group Singapore Pte. Ltd. Taiwan Branch, in accordance with the AA1000 Assurance Standard (AA1000AS v3), Type 1, Moderate Assurance. Details regarding the assurance scope, criteria, level of assurance, limitations, and conclusions are provided in Section 5.8 External Assurance Statement.

Internal Audit

The Company's Audit Office completed its sustainability information audit for this Report in July 2026.

CHC Contact Information

Should you have any questions, comments, or suggestions regarding this Report, we welcome your feedback.

Chief Sustainability Officer Elizabeth Wang (President)

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1.2 Letter from the Chairman

Building a Sustainable Future

Through 70 Years of Resilience



Jason K. L. Chang

Chairman

Dear Stakeholders,

The year 2025 marks a significant milestone for Chia Hsin as we celebrate our 70th anniversary. Since our founding in Taiwan in 1954, Chia Hsin has evolved from a single cement manufacturer into a diversified enterprise spanning cement trading, hospitality, healthcare, asset management, and warehousing and storage. Over the past seven decades, we have built not only a solid business foundation but also the resilience to navigate an increasingly dynamic and uncertain world with confidence.

● Demonstrating Resilience Amid ESG Headwinds

Over the past year, global geopolitical uncertainty and the growing impacts of climate change have continued to reshape the business landscape. The introduction of Taiwan's carbon fee mechanism, persistent inflationary pressures, and labor shortages across the service sector have all presented significant challenges to ESG transformation. Despite these headwinds, Chia Hsin demonstrated remarkable resilience in 2025.

We continued to optimize our 4-3-2-1 revenue portfolio, maintaining the stable performance of our traditional cement business while achieving record occupancy and revenue at Hotel Collective in Okinawa. These achievements reaffirm the effectiveness of our diversified business strategy. We firmly believe that resilience is the foundation for creating long-term value and safeguarding the interests of all stakeholders amid an evolving business environment.

● Giving New Life to a Historic Building

At Chia Hsin, ESG extends far beyond performance metrics—it is reflected in how we care for every asset entrusted to us. Our headquarters, the Chia Hsin Building, has stood in the heart of Taipei for nearly six decades. In 2025, it successfully obtained green building certification, marking an important milestone in its sustainable transformation.

This achievement represents more than the successful upgrade of an existing building. It reflects our unwavering commitment

to sustainability. By enhancing energy efficiency, implementing intelligent building management, and embracing circular economy principles, we have revitalized a historic landmark while preserving its heritage. The Chia Hsin Building stands as tangible evidence of our commitment to balancing business operations with environmental stewardship and advancing our decarbonization ambitions.

● Putting People First: Recognized as One of Asia's Best Employers

The foundation of Chia Hsin's success over the past 70 years has always been its people. We remain committed to fostering an inclusive workplace where employees feel valued, respected, and empowered to thrive.

In 2025, we were honored to receive the HR Asia Best Companies to Work for in Asia award for the first time. This prestigious recognition affirms our ongoing efforts in talent development, employee well-being, and competitive compensation and benefits. We firmly believe that engaged and fulfilled employees are the driving force behind exceptional service and sustainable business growth.

● Looking Ahead: Our Commitment to the Next 70 Years

Looking ahead, Chia Hsin will remain firmly committed to achieving net-zero emissions by 2050. We will continue to accelerate digital transformation, enhance operational efficiency, and expand our business portfolio while upholding our commitment to society and the environment.

Our 70th anniversary is not a destination—it is the beginning of a new chapter. Guided by resilience and our enduring commitment to excellence, we will continue working hand in hand with our stakeholders to create lasting value and build a more sustainable future together.

1.3

Letter from the Chief Sustainability Officer



Elizabeth Wang

President &
Chief Sustainability Officer

"In times of uncertainty, sustainability is not about moving faster—it is about moving wisely."

As we enter another year of transformation, I am reminded of the wisdom found in the *I Ching*, particularly Hexagram 39, "Obstruction" (水 山 蹇). This hexagram speaks to a time when contradictions intensify, external conditions grow harsher, and progress becomes difficult—not because the destination is unclear, but because the path itself demands greater care. We know the road lies ahead, yet our steps must be deliberate.

This image mirrors the global environment we face today. Climate volatility, geopolitical uncertainty, and rising stakeholder expectations have made ESG work more complex than ever. As Taiwan's carbon fee mechanism officially came into effect in 2025, sustainability has evolved from aspiration to accountability, and from commitment to execution. The challenges are real—and they are not easing. Yet, as the *I Ching* reminds us, difficulty does not signal retreat. It calls for reflection, resilience, and new ways of moving forward.

For the CHC Group, this transition is particularly significant. As a high-energy-intensive industry, the cement business is among the first to be affected by Taiwan's carbon pricing policy. Beyond regulatory compliance, it represents a fundamental test of our operating model. In response, we have continued to accelerate our low-carbon transformation by expanding our portfolio of Portland limestone cement and leveraging the strategic advantages of our dual-port logistics network to position CHC as a regional hub for low-carbon cement distribution. These efforts were recognized with the Excellence Award of the Net-Zero Industry Competitiveness Awards. Meanwhile, our asset management and hospitality businesses have continued to enhance operational resilience. The Chia Hsin Building achieved both EEWB Diamond Green Building Certification and EEWB-BERSe Class 1+ Building Energy Efficiency Certification, while Hotel Collective obtained LEED Certification, reinforcing our long-term commitment to sustainable operations.

At the same time, we recognize that people remain the foundation of organizational resilience. We continue to strengthen organizational capabilities and succession planning to address talent shortages while fostering a workplace where employees can thrive. Artificial intelligence is also reshaping how organizations create value. For CHC, AI is not about replacing human judgment, but about augmenting it. By integrating AI into our operations, we reduce inefficiencies, improve decision-making, and enable our people to focus on higher-value work. More importantly, this transformation is redefining the relationship between the organization and its people—strengthening trust, collaboration, and shared growth.

Looking ahead, we will continue advancing four strategic priorities: low-carbon transformation, data-driven management, quality enhancement, and organizational resilience. By embedding these priorities into a unified management approach, we aim to improve decision-making, strengthen execution, and create long-term sustainable value.

Water over mountain teaches patience. When the path is steep, wisdom lies in choosing the right pace, the right companions, and the right moment to advance. In times of uncertainty, the true strength of an organization lies not only in adapting to change, but also in continuously strengthening itself from within. Sound governance, digital empowerment, and investment in people will remain the cornerstones of our resilience.

To our shareholders and stakeholders, thank you for your continued trust and support. The road ahead may not be easy—but it is meaningful. With clarity of purpose, disciplined governance, and the courage to evolve, we will continue moving forward—steadily, thoughtfully, and together.

Knowing the way forward, even when the path is difficult, we remain steadfast. Though our pace may be measured, it will carry us farther than ever imagined.

1.4 Group Overview

1.4.1 Business Portfolio

Guided by the philosophy of "From House to Home," CHC Group has evolved from a cement manufacturer into a diversified enterprise serving people's everyday lives. Centered on its mission of "Pursuing Quality of

Life," the Group is committed to delivering sustainable solutions that integrate service excellence, social value, and environmental responsibility, thereby creating a better quality of life for all.

Product and Service Value Chain

Business	 Cement	 Hospitality	 Warehousing and Storage	 Assets Management
Revenue Contribution	41%		28%	21%
Principal Operating Companies and Locations	 Chia Hsin Cement Corp.  Tong Yang Chia Hsin Intl. Corp.	 Hotel Collective  Jaho Life Plus+ Management Corp.  Chia Peng Gemcare Maternity (Yangzhou) Co., Ltd.	 Chia Pei Intl. Corp.	 Chia Hsin Property Management & Development Corp.
Upstream	Cement suppliers	Food suppliers, amenities suppliers, and healthcare institutions	Coal, sand and bulk cargo importers; port authorities	Building maintenance, HVAC service providers, and security service providers
Core Operations	Cement loading, wholesale, and retail	Hospitality: Accommodation and food & beverage services Healthcare: Maternity care and food services	Cargo handling services	Land development and revitalization; office leasing
Downstream	Construction companies, distributors, building material retailers, and ready-mixed concrete plants	Consumers, online travel agencies (OTAs), and travel agencies	Coal, sand and bulk cargo importers	Property developers and tenants

1.4.2 Financial Performance

Profitability Analysis

Item	2025	2024	2023	2022
Operating Revenue (Unit: million)	3,015	2,985	2,912	2,254
Net Profit After Tax (Unit: million)	567	337	96	-174
EPS (Unit: NTD)	0.84	0.48	0.12	-0.27
Debt Ratio (Unit: %)	42.6	38.45	38.52	39.65
Ratio of Long-term Capital to Property, Plant and Equipment (Unit: %)	810.97	839.91	780.29	681.1
Return on Assets (ROA) (Unit: %)	2.23	1.43	0.71	-0.1
Return on Equity (ROE) (Unit: %)	2.81	1.53	0.43	-0.73

Notes:

- Financial information is prepared based on the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs).
- EPS are calculated based on the weighted average number of outstanding shares for each reporting year. EPS for prior years has been retrospectively adjusted to reflect stock dividends.

Dividend Distribution

(Unit: NTD per share)

Year of Earnings	2025	2024	2023	2022
Cash dividend	0.55	0.55	0.5	0.3
Stock dividend	0	0	0	0.2
Total	0.55	0.55	0.5	0.5

Direct Economic Value Generated and Distributed

(Unit: thousand)

Item	2025	2024	2023	2022
Operating Revenue	3,015,357	2,985,357	2,911,583	2,253,659
Financial Investment Income (Dividends and Interest Income)	632,584	666,900	400,930	450,862
Operating Costs	2,527,950	2,550,390	2,545,152	2,121,073
Employee Wages and Benefits	589,131	581,037	515,159	487,049
Payments to Providers of Capital (Interest Expense and Cash Dividends)	599,138	540,972	385,540	630,117
Income Tax Paid	26,418	54,645	119,707	39,706
Community Investments	8,950	10,662	9,247	9,354
Economic Value Retained	171,318	177,881	-28,886	-383,094

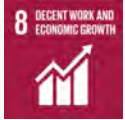
Note: Economic value retained equals direct economic value generated less economic value distributed. Direct economic value generated refers to revenue and income, while economic value distributed comprises operating costs, employee wages and benefits, payments to providers of capital, income taxes paid, and community investments.

Public Policy Participation Expenditures

(Unit: NTD)

Contributions	2025	2024	2023	2022
Lobbying, interest representation or similar	0	0	0	0
Local, regional or national political campaigns / organizations / candidates	0	0	0	1,000,000
Trade associations or tax-exempt groups	1,083,000	1,083,000	1,083,000	1,083,000
Other	303,240	279,010	160,115	60,000
Total contributions and other spending	1,386,240	1,362,010	1,243,115	2,143,000
Data coverage	100%	100%	100%	100%

1.5 Sustainability Development Vision Blueprint

Mission	Pursuing Quality of Life			
Strategy	Drive business competitiveness and create social impact by embedding sustainability into business operations while advancing a just transition.			
Strategic Pillars	Business Competitiveness		Social Impact	
	- Responsible Products - Responsible Services - Responsible Investment	- Sustainable Energy and Energy Efficiency - Integrating Sustainability into Daily Operations - Transparent Governance	- A Best Workplace for Talent Development - Fostering a Healthy, Safe, and Inclusive Environment	- Building Strong Partnerships with Society - Expanding Social Impact
Corresponding Report Sections	2.7 Responsible Procurement	2.1 Professionalism and Diversity 2.4 Regulatory Compliance 2.5 Risk Management 2.6 Ethical Management 2.9 Digital Resilience 3.1 Climate Governance 3.2 Climate Action 3.3 Environmental Management and Energy & Resource Efficiency	4.1 Inclusion 4.3 Co-learning	4.2 Well-being
SDGs	 	 	   	 

✓ Sustainability

Governance Structure

The Board of Directors serves as the highest governing body for sustainability matters at CHC Group. The Sustainable Development Committee, a functional committee of the Board, is responsible for regularly reporting climate-related risks, opportunities, and other key sustainability issues to the Board of Directors. The Committee is chaired by the Chairman and consists of one director and two independent directors, with independent directors accounting for 50% of its members to strengthen governance independence and professional oversight.

To implement the Board's sustainability resolutions, CHC has established a Sustainable Development Office, led by the Chief Sustainability Officer, to oversee and coordinate sustainability initiatives across the Group. The Sustainable Development Office convenes regular meetings to monitor the implementation and progress of sustainability objectives. In 2025, the Office reported to the Sustainable Development Committee twice and held 11 Task Force meetings.

As of the end of 2025, CHC updated the names and responsibilities of its functional

teams based on their respective roles. The sustainability governance structure now comprises eight Task Forces: the Risk Management Task Force, Sustainability Ratings Task Force, IFRS Task Force, Corporate Commitments Task Force, Environmental Management Task Force, External Relations Task Force, Social Impact Task Force, and Information Security Task Force. These Task Forces bring together representatives from business units and corporate functions to strengthen cross-functional collaboration and enhance the effectiveness of sustainability governance.

In addition, CHC has incorporated climate-related targets and performance into the evaluation and remuneration framework for senior executives, reinforcing accountability for the achievement of climate objectives. Following the establishment of the Sustainability Information Management Procedures in 2024, the Audit Office incorporated sustainability information management into its annual audit plan beginning in 2025. Audit results are reported to both the Audit Committee and the Board of Directors. The Company will continue conducting related audits in 2026 to ensure the completeness and reliability of sustainability information.



Members of the Sustainable Development Committee

Title	Name	Education	Experience
Chairman	Jason K.L. Chang	Master of Science in Technology Management, Massachusetts Institute of Technology	• Director, Taiwan Cement Corp. (IR) • Chairman, Taiwan Cement Manufacturers' Association • Vice Chairman, EPOCH Foundation • Chairman, Chia Hsin Foundation
Committee member	Pan Howard Wei Hao (Director)	Master of EE and MBA, Massachusetts Institute of Technology	• Chairman, Cheng Yeh Chemical Works Ltd. • Director, CFA Society of Taiwan • Vice Chairman, Chia Hsin Foundation
Committee member	Pao-Chu Lin (Independent Director)	MBA, National Taiwan University	• Independent Director, APCB Inc. • Director, Grand World Compassion • Consultant, Chairman/CEO's Office KPMG • CPA, KPMG
Committee member	Kevin Kuo-I Chen (Independent Director)	Master of Law, New York University	• Vice President and Adjunct Professor, National Taiwan Sport University • Adjunct Professor, University of Taipei • Secretary General, Chinese Taipei Olympic Committee • Executive Board Member and President, Finance Committee of Olympic Council of Asia

For the attendance records and matters discussed by the current Sustainable Development Committee, please refer to the Sustainable Development Committee section of the Company's official website.

1.6 Annual Sustainability Highlights

✓ A Historic Building Preparing for the Future — Excellence Award, Industry Category, 2025 Nearly Zero Carbon Building Design Award



CHC Group was honored with the Excellence Award in the Industry Category at the 2025 Nearly Zero Carbon Building Design Awards, organized by the Architecture and Building Research Institute of Ministry of the Interior for its project "A Legacy Reimagined: Transforming the Chia Hsin Building into a Nearly Zero Carbon Building."

Completed in the 1960s, the Chia Hsin Building has been an integral part of Taipei's urban landscape for more than half a century. Rather than replacing the existing structure, CHC adopted a renovation strategy focused on high-efficiency building systems, optimizing building systems, and introducing smart building management technologies. These improvements have enabled the historic building to continue to serve future generations while preserving its architectural heritage.

The award recognizes practical and scalable applications of near-zero carbon building design. As an exemplary project in the industry category, the Chia Hsin Building demonstrates how continuous operational improvements and incremental carbon reduction initiatives can transform existing buildings

into key contributors to the net-zero transition. Every achievement represents the cumulative result of long-term commitment and continuous improvement.

Receiving this recognition is both an honor and a reminder that meaningful transformation is achieved through persistence. By consistently moving in the right direction, sustainable change becomes possible.



Forward-looking Features of the Original Chia Hsin Building

- 1 Central air-conditioning system
- 2 Double-glazed soundproof aluminum windows
- 3 Double-layer façade design

★
Energy Use Intensity (EUI)
105.51 kWh/m²/year

Every Action Begins with a Long-Term Commitment

Transforming an existing building into a near-zero carbon facility is not the result of a single decision, but of a long-term commitment built on patience and perseverance. Since its establishment, CHC has embraced the philosophy of "Taken from society, giving back to society" believing that sustainable business success is achieved by creating lasting value for both society and the environment.

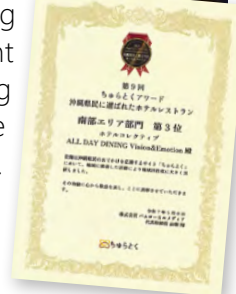
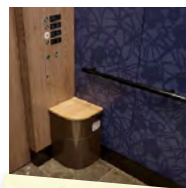
Turning Environmental Commitments into Action

- Science Based Targets initiative (SBTi) validated
- Joined the Task Force on Climate-related Financial Disclosures (TCFD) as a Supporter and published the TCFD Report
- Completed Group-wide GHG inventories with third-party verification for the 4th consecutive year
- Taiwan's major operating sites achieved third-party certification to ISO 50001 and ISO 14001 for the 5th consecutive year

Building Trust Through Sustainable Hospitality

Hotel Collective continues to earn the trust of its guests through consistently outstanding service quality. In addition to achieving an excellent 9.2 rating on Booking.com, the hotel received the JTB Gold Award for Accommodation Voucher Sales for the third consecutive year, becoming the only hotel in Naha City to receive this distinction.

As a designated emergency evacuation facility in Japan, Hotel Collective has equipped two passenger elevators with EV emergency chairs, providing emergency lighting, drinking water, sanitation supplies, and emergency equipment storage in the event of an elevator shutdown during a disaster. These initiatives enhance guest safety while reflecting the hotel's commitment to community resilience. The hotel's restaurants have also received the Churatoku Hotel Restaurant Award for three consecutive years.

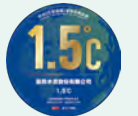


Awards and Recognition



Advancing Low-Carbon Transformation and Net-Zero Transition

- Dual certification under Taiwan's EEWB Existing Building Diamond Rating and EEWB-BERSe Class 1+ Building Energy Efficiency Rating
- Excellence Award, 2025 Nearly Zero Carbon Building Design Award, Architecture and Building Research Institute, Ministry of the Interior
- Excellence Award, Net-Zero Industry Competitiveness Awards, 21st Century Foundation
- Recognized by CommonWealth Magazine as a manufacturing company aligned with the 1.5°C climate target



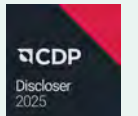
People-Centered Workplace and Talent Development

- HR Asia Best Companies to Work for in Asia
- Top 100 Age-Friendly Companies, Business Weekly
- Friendly Parenting Workplace Award, Taipei City Government
- Sports Enterprise Certification, Sports Administration, Ministry of Education
- Family-Friendly Workplace Awards, Parenting Magazine (Repeat Winner)
- Talent Sustainability Award, CommonWealth Magazine (3 Consecutive Year)



Governance Excellence and Sustainability Recognition

- Named one of TIME World's Best Companies in Sustainable Growth
- CDP SME Climate Change Questionnaire – B Score
- Ranked among the Top 6%–20% in the Corporate Governance Evaluation of TWSE-listed companies for 6 consecutive years
- TCSA – Platinum Award for Sustainability Reporting for 3 consecutive years
- Ranked No. 8 in the SME category of the Excellence in Corporate Social Responsibility awards for the 4 consecutive year



Operational Excellence and Brand Performance

- Chia Pei International Corporation received the Golden Boat Award from Taiwan International Ports Corporation for the 4th time in recognition of excellence in cargo handling operations.



Long-Term Commitment to Sustainability Initiatives

- Joined the TALENT, in Taiwan – Taiwan Talent Sustainability Action Alliance for the fourth consecutive year.

02

Transparent Governance

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2.9 Digital Resilience -----	36

Embed accountability into the Company's corporate culture.

- Promote transparent disclosure through proactive and timely external communications.
- Strengthen corporate governance by actively participating in domestic and international assessments and evaluations.
- Engage proactively with shareholders, investors, and other stakeholders.

PURSUE QUALITY OF LIFE



8.2
8.3
8.4

12.1
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12.6
12.7
12.8
12.b

Strategy >

Drive business competitiveness and create social impact by embedding sustainability into business operations while advancing a just transition.

Business Competitiveness

Social Impact

02 Professionalism and Diversity

2.1 Board of Directors

Organizational Chart of Chia Hsin Cement Corporation



2.1.1 Board of Directors

The term of office for Directors of Chia Hsin Cement Corporation is three years, and Directors are eligible for re-election. Director elections are conducted under a candidate nomination system. The professional qualifications, shareholding requirements, restrictions on concurrent positions, independence criteria for Independent Director candidates, nomination procedures, and other compliance requirements are all handled in accordance with the applicable regulations of the securities authority. Relevant governance requirements are also stipulated in Chapter 4 of the *Corporate Governance Best Practice Principles*, including Section 1, Board Structure, and Section 2, Independent Director System. Material resolutions adopted by the Board of Directors are promptly disclosed through the Market Observation Post System (MOPS) and published in the Corporate Governance section of the Company's official website.

The Board of Directors consists of seven Directors, including three Independent Directors. Directors are elected by the Shareholders' Meeting from the list of candidates under the candidate nomination system pursuant to Article 192-1 of the Company Act. The Board convenes at least once every quarter and may be called at any time in the event of urgent circumstances. The current Board comprises five male Directors and two female Directors, all of whom bring diverse backgrounds and professional experience. This diversity enhances the Board's decision-making process through a broad range of perspectives.

* For Directors' educational and professional backgrounds, Board operations, and the conflict-of-interest avoidance policy, please refer to the Board of Directors section on the Company's official website, as well as Sections 2.1.1 Directors and 2.3.1 Board of Directors Meeting of the 2025 Annual Report.



Average attendance rate: 96.82%

42.8% of the Board

Board Diversity

Title	Name	Nationality	Gender	Education	Age			Seniority	Diversified Ability							
					21 40	51 60	61 70		Accounting, Finance, and Legal Affairs	Risk Management	Business Operations	Global Market	Investment and M&A	Hospitality	Information Technology	Environmental Sustainability and Social Engagement
Chairman	Jason K. L. Chang	ROC	M	Master		✓		25 years	✓	✓	✓	✓	✓	✓	✓	✓
Director	Pan Howard Wei Hao	USA	M	Master		✓		13 years	✓	✓	✓	✓	✓		✓	✓
	Alec Jun-Ci Chang	ROC	M	Bachelor	✓			1.5 years			✓	✓		✓		✓
	Chen-Ching Chen	ROC	M	Master	✓			0.5 years	✓	✓	✓	✓				✓
Independent Di-rector	Pao-Chu Lin	ROC	F	Master			✓	4 years	✓	✓	✓	✓	✓			✓
	Kevin Kuo-I Chen	ROC	M	Master			✓	4 years	✓	✓	✓	✓				✓
	Mei-Ling Chang	ROC	F	Master			✓	0.5 years	✓	✓	✓	✓	✓			✓

Note: Directors Pan Howard Wei Hao and Alec Jun-Ci Chang serve as representatives of the corporate shareholder, Tong Yang Chia Hsin International Corporation.

Continuing Education for Directors



Members of the Board possess the knowledge, skills, and diverse industry expertise required to fulfill their responsibilities. Directors actively participate in a wide range of professional training programs to continuously strengthen their competencies while maintaining close communication with the management team to exchange information and share valuable experience.

In response to the rapidly changing external environment, the Company continues to enhance Directors' professional capabilities through training covering topics such as linking executive remuneration to ESG performance, artificial intelligence, cybersecurity threats and protection strategies, and risk management systems.

For details of Directors' continuing education programs in 2025, please refer to the section Directors and Independent Directors Training under 2.3.1 Board of Directors Meeting in the 2025 Annual Report.

2.1.2 Board Diversity Policy

Diversity Objectives

To ensure that the Board possesses the professional expertise, technical capabilities, industry experience, and diversity necessary to fulfill its responsibilities, while enhancing female participation in decision-making, the Company has established the following diversity objectives for the Board:

1. At least one Director shall possess professional qualifications as a certified public accountant, and at least one Director shall possess professional qualifications as a lawyer.
2. Directors of either gender shall account for at least one-third of the Board.
3. At least two Directors shall possess expertise in each of the following areas: accounting, finance and legal affairs, risk management, business operations, global markets, investment and mergers and acquisitions, hospitality, information technology, environmental sustainability, and social engagement.

Implementation Status



The Board of Directors completed its re-election on May 16, 2025. The current Board consists of five male Directors and two female Directors. Two Directors are between 21 and 40 years of age, two are between 51 and 60 years of age, and three are between 61 and 70 years of age. Among them, six hold master's degrees and one holds a bachelor's degree. The Directors bring diverse backgrounds and professional experience, enabling the Board to benefit from a broad range of perspectives and strengthening the quality of its decision-making.

For detailed information on the backgrounds and experience of the seven Directors, please refer to the Board Diversity and Independence section under 2.1.1 Directors in the 2025 Annual Report.



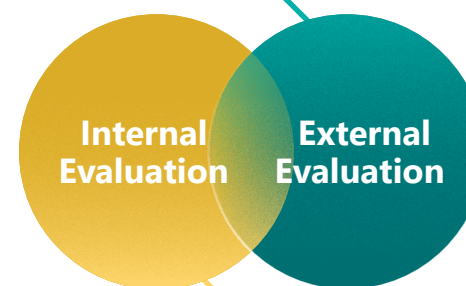
Collectively, the Board possesses expertise spanning business management, the cement industry, engineering and construction, hospitality, healthcare, internal audit, risk management, legal affairs, and information technology. Board members have the knowledge, skills, and professional competence required to perform their duties effectively. In particular, the Chairman's extensive experience in corporate management and operational decision-making provides strong leadership in creating long-term value for shareholders.

2.1.3 Board Performance Evaluation

To strengthen corporate governance and enhance the effectiveness of the Board of Directors, the Company adopted the Board Performance Evaluation Rules at the 422nd Board Meeting on May 9, 2019. Internal evaluations of the Board and individual Directors are conducted annually, while an external evaluation by an independent professional institution or a team of external experts and scholars is conducted at least once every three years. Evaluation reports are completed before the end of the first quarter of the following year.

The Company's Board self-evaluation (or peer evaluation) covers the evaluation cycle, evaluation period, evaluation scope, evaluation methods, and evaluation criteria as follows:

The external Board performance evaluation for 2024 was conducted by the Taiwan Institute for Ethical Management, which completed the evaluation report. The evaluation results were presented at the 466th Board Meeting held on February 25, 2025.



The results of the internal Board performance evaluation for 2025 were reported to the 475th Board Meeting held on March 5, 2026.



Evaluation Cycle	Annually			
Evaluation Period	January 1 to December 31, 2025			
Evaluation Scope	Board of Directors and their individual members		Functional committees (including the Audit Committee, Remuneration Committee, Sustainable Development Committee, Risk Management Committee, and Nomination Committee), and their individual members	
Evaluation Method	Self-assessment from the Board of Directors		Self-assessment from the functional committees	
Evaluation Criteria	Ⓐ Board Performance Assessment a-1 Participation in Company operations a-2 Quality of decisions a-3 Structure and organization a-4 Election and continuing education a-5 Internal control	Ⓑ Individual Director Performance Assessment b-1 Alignment of the goals and targets of the Company b-2 Understanding of director duties b-3 Participation in Company operations b-4 Management of internal communication and relationships. b-5 Director professional qualifications and continuing education b-6 Internal control	Ⓒ Functional Committee Performance c-1 Participation in Company operations c-2 Understanding of functional committee duties c-3 Quality of decision c-4 Structure and election c-5 Internal control	Ⓓ Functional Committee Individual Member Performance d-1 Function of functional committee d-2 Understand of functional committee member duties d-3 Participation in functional committee operations d-4 Management of internal relationships and communication
Evaluation Results	1. The Board of Directors convened nine meetings in 2025, with an overall attendance rate of 96.83% among all Directors. 2. Directors actively participated in the Company's operations, maintained constructive interaction with the management team, and provided comprehensive comments and recommendations on all agenda items. 3. The overall Board performance evaluation results indicated that, among the 45 evaluation indicators, 44 were rated as "Excellent" and one was rated as "Good."		1. Committee members actively participated in committee operations, maintained effective communication with one another, interacted constructively with the management team, and provided comprehensive comments and recommendations on all agenda items. 2. The overall performance evaluation results indicated that all evaluation indicators were rated "Excellent" across all functional committees: 22 indicators for the Audit Committee, 19 for the Remuneration Committee, 17 for the Sustainable Development Committee, 17 for the Risk Management Committee, and 17 for the Nomination Committee.	
Recommendations for Improvement	1. The Company continues to provide Directors with continuing education by leveraging external professional resources. Training focuses on corporate governance, risk management, operational practices, and ESG to enhance decision-making and organizational resilience. 2. The Company reviewed and refined its performance evaluation indicators based on Directors' self-assessment feedback and the responsibilities of the Board and its functional committees, further enhancing the effectiveness of evaluations and Board operations.			

2.1.4 Functional Committees

Supports the Board of Directors in enhancing operational effectiveness, decision-making, and sustainable governance.

Note: For the composition and operation of each Functional Committee, please refer to the Committee section on the Company's official website.

	Audit Committee	Remuneration Committee	Sustainable Development Committee	Risk Management Committee	Nomination Committee
Meetings Held in 2025	8	4	2	2	1
Average Attendance Rate (%)	100	100	100	100	100
Number of Committee Members	3	3	4	3	3
Independent Directors (No.)	3	2	2	2	2

Audit Committee

1. Ensuring the fair presentation of the Company's financial statements.
2. Overseeing the appointment, independence, and performance of the external auditor.
3. Monitoring the effectiveness of the internal control system.
4. Ensuring compliance with applicable laws and regulations.
5. Overseeing the management of existing and potential risks.

Key Responsibilities

1. Review the establishment and amendments to the internal control system.
2. Evaluate the effectiveness of internal controls.
3. Review major financial and business matters, including asset acquisitions and disposals, derivatives transactions, lending, endorsements and guarantees.
4. Review matters involving Directors' conflicts of interest.
5. Review significant asset and derivatives transactions.
6. Review major lending, endorsements, and guarantees.
7. Review equity financing, issuance, or private placement of securities.
8. Review the appointment, dismissal, and remuneration of the external auditor.
9. Review the appointment or dismissal of the heads of finance, accounting, and internal audit.
10. Review of quarterly financial reports.
11. Review mergers and acquisitions.
12. Review other material matters required by laws or competent authorities.

Remuneration Committee

To evaluate the remuneration policies and compensation system for Directors and management from an independent and professional perspective and provide recommendations to the Board of Directors.

Key Responsibilities

1. Establish and periodically review the remuneration policies, systems, standards, and structure for Directors and management.
2. Regularly assess and determine Directors' and management's remuneration.

Sustainable Development Committee

To align with international trends and advance sustainable development, the Board of Directors established the Sustainable Development Committee on December 14, 2021. Supported by the Chief Sustainability Officer (CSO) and the Sustainability Office, the Committee oversees the Company's sustainability strategy, policies, goals, annual plans, and ESG performance, facilitates the integration of sustainability into business operations, and reports regularly to the Board on the implementation of sustainability initiatives.

Key Responsibilities

1. Review sustainability strategies, objectives, and policies.
2. Monitor sustainability performance and implementation.
3. Review material sustainability issues and stakeholder engagement.
4. Review other sustainability-related matters authorized by the Board.

Risk Management Committee

Established on December 12, 2024, at the 465th meeting of the Board of Directors, to assist the Board of Directors in overseeing the Company's risk management framework and implementation.

Key Responsibilities

1. Review risk management policies, procedures, and frameworks.
2. Approve the Company's risk appetite.
3. Oversee the integration of risk management into operations.
4. Determine risk priorities and risk levels.
5. Review risk management implementation and report to the Board regularly.
6. Execute risk management matters authorized by the Board.

Nomination Committee

Established on December 12, 2024, at the 465th meeting of the Board of Directors, to strengthen Board composition, Director nomination, and succession planning.

Key Responsibilities

1. Establish criteria for Board diversity and independence and review Director candidates.
2. Review the structure and performance of the Board and its Functional Committees and assess the independence of Independent Directors.
3. Establish and periodically review Director succession plans.

2.2 Stakeholder Communication

CHC values open and effective communication with stakeholders across its diverse businesses, from cement operations to hospitality and healthcare services. Through multiple communication channels, the Group actively engages stakeholders, incorporates their feedback into decision-making, and strengthens long-term sustainable development.

Stakeholder Engagement Process



Stakeholder Identification

CHC identifies key stakeholders in accordance with the AA1000 Stakeholder Engagement Standard (AA1000 SES 2015). Stakeholders are evaluated based on five principles: dependency, responsibility, tension, influence, and diverse perspectives.



Stakeholder Engagement

CHC maintains transparent and effective communication with key stakeholders through a variety of communication channels and information disclosure practices.



Promoting Sustainability Values

- Diverse communication channels
- Active stakeholder engagement
- Regular assessment of stakeholder concerns
- Alignment with the SDGs
- Periodic review of sustainability performance

9 Key Stakeholder Groups

- 1 Shareholders / Investors
- 2 Customers / Consumers
- 3 Employees
- 4 Government / Regulatory Authorities
- 5 Financial Institutions
- 6 Business Partners
- 7 Suppliers
- 8 Media
- 9 Communities / NPOs

Stakeholder	Target Group	Significance to CHC	Key Communication Channels & Frequency	Engagement Results	Key Topics of Concern	Related Sections
 Shareholders / Investors	Individual shareholders, Institutional investors	Shareholders and investors are the Company's owners. CHC protects shareholders' rights, ensures equal treatment, and maintains transparent disclosure to support informed decision-making and enhance long-term corporate value.	As Needed • Spokesperson hotline and mailbox • Shareholder services hotline • MOPS announcements Quarterly • Investor conferences • Board announcements Annually • Shareholders' Meeting	• Investor conferences: 4 • Board meetings and announcements: 7 • Shareholders' Meeting: 1	• Dividend policy • Financial performance • Corporate governance • Business development • ESG, sustainability, and risk management	2.1 Professionalism and Diversity 2.5 Risk Management 2.6 Ethical Management 3.1 Climate Governance
 Customers / Consumers	Distributors, Tenants, Consumers	Building long-term customer relationships strengthens brand value and supports sustainable business growth. Customer feedback also helps enhance service quality and corporate value.	As Needed • Telephone, customer service hotline, website mailbox, Line@, and social media Weekly • Gemcare Podcast updates Monthly • Customer visits As Needed • Industry seminars	• Customer visits: 2–3 times per week • Gemcare Podcast episodes: 52 • Customer satisfaction survey: 1	• Food safety • Product pricing, quality, and services • Complaint handling and follow-up • Personal data protection • Postpartum care services and expertise • Local sourcing and sustainable consumption • Corporate image and brand positioning	2.4 Regulatory Compliance 2.8 Food Safety Gemcare Official Website Hotel Collective Official Website

Stakeholder	Target Group	Significance to CHC	Key Communication Channels & Frequency	Engagement Results	Key Topics of Concern	Related Sections
 Employees	Employees	Employees are the foundation of CHC's success and long-term growth. The Company is committed to attracting, developing, and retaining talent while fostering an engaging, healthy, and supportive workplace.	Monthly • Occupational health consultations Quarterly • Employee Welfare Committee meetings • Labor-management meetings Semi-annually • Employee sharing sessions • Performance review briefings Annually • CEO's Afternoon Tea • Employee satisfaction survey • Human rights interviews As Needed • Employee training • Labor Pension Reserve Fund Supervisory Committee meetings • Health newsletters	• Employee Welfare Committee meetings: 4 • Employee Welfare Committee activities: 3 (105 participants) • Labor-management meetings: 4 • Employee sharing sessions: 2 • CEO's Afternoon Tea: 1 • Employee satisfaction survey: 1 • Labor Pension Reserve Fund Supervisory Committee meetings: 3 • Health newsletters: 2 • Performance review interviews: 1	• Talent attraction and retention • Employee benefits and well-being • Compensation and benefits • Talent development • Performance management • Occupational safety and health	4.1 Inclusion 4.3 Co-learning
 Government / Regulatory Authorities	Ministry of Health and Welfare, Ministry of Finance, Environmental Protection Administration, Ministry of Economic Affairs, Ministry of Labor, and other competent authorities	CHC maintains close communication with government agencies to ensure regulatory compliance and align business operations with public policy and sustainable development objectives.	As Needed • Telephone, website mailbox, and official correspondence As Needed • Company visits Annually • Shareholders' Meeting supported through virtual meeting platform As Needed • Participation in seminars, briefings, and forums	• Supported one Shareholders' Meeting through a virtual meeting platform • Regular reporting of required regulatory information	• Regulatory compliance • Ethical management • Environmental protection • Labor policies • Tourism policies and industry development • Postpartum care regulations	2.1 Professionalism and Diversity 2.4 Regulatory Compliance 2.5 Risk Management 2.6 Ethical Management 3.1 Climate Governance
 Financial Institutions	Banks, Securities Firms, Investors	Financial institutions support CHC's capital planning and business development. The Company maintains transparent communication and timely information disclosure to strengthen mutual trust and long-term partnerships.	As Needed • Annual financial report announcements As Needed • Meetings and discussions on project matters • Visits and exchanges	• Participation in project discussions and meetings: 2 • Visits and exchanges: 20	• Financial performance • Risk management • Corporate governance • GHG emissions • Water consumption	2.1 Professionalism and Diversity 3.2 Climate Action
 Business Partners	Contractors, Healthcare Institutions, Postpartum Care Centers, Investment Partners, etc.	CHC works closely with business partners to create shared value, expand business opportunities, and build long-term collaborative relationships.	As Needed • Visits and telephone communication Monthly • Project progress meetings with contractor Quarterly • Investment partner meetings	• Participation in key investment project meetings: 15	• Land revitalization • Sustainable development • Employee safety • Business collaboration and future development	2.4 Regulatory Compliance 2.7 Responsible Procurement

Stakeholder	Target Group	Significance to CHC	Key Communication Channels & Frequency	Engagement Results	Key Topics of Concern	Related Sections
 Suppliers	Suppliers, Contractors	Suppliers and contractors are key partners in CHC's value chain. The Company works closely with them to ensure stable product and service quality, improve operational efficiency, and promote sustainable growth.	Annually • Supplier evaluations As Needed • Supplier integrity training As Needed • Meetings, communication, and site visits	• 28 suppliers participated in integrity training • 27 suppliers completed performance evaluations	• Bidding procedures • Fair acceptance and audit process • Supplier management policy • Occupational safety and health • Service quality and customer satisfaction	2.4 Regulatory Compliance 2.7 Responsible Procurement
 Media	News Media	CHC maintains proactive communication with the media to strengthen corporate transparency, enhance brand image, and effectively communicate business performance and sustainability initiatives.	Quarterly • Media communication on legal disclosures Annually • Shareholders' Meeting media briefings As Needed • Media interviews As Needed • Media briefings and exchanges	• Press releases: 8 • Media exposure: 374	• Business development • Operational performance • Corporate image • Public issues • Sustainable development	1.6 Sustainability Highlights
 Communities / NPOs	Communities, Non-profit Organizations	CHC collaborates with non-profit organizations to strengthen community engagement, support local development, and foster innovation through shared resources and partnerships.	Monthly • Community and local chamber of commerce visits Annually • Support for the Chia Hsin Foundation Scholarship Program and related activities Annually • Sponsorship of CHC Space for the Epoch Foundation's startup incubation program As Needed • Participation in charitable initiatives	• 50 employee volunteers supported 3 Chia Hsin Foundation events (32 volunteer hours) • 18 startups incubated at CHC Space • Co-organized 6 positive adult mentorship activities with the Good Friend Mission • Supported the Beaver Sustainability Education Program with partners by sponsoring 414 SEL Emotional Learning Kits	• Public welfare initiatives • Community engagement and development	4.2 Well-being

2.3 Identification of Material Issues

Material Topic Management Process

1 Define Objectives



Purpose of Material Topics

CHC identifies material sustainability topics relevant to its business operations and stakeholders, establishing appropriate management approaches while communicating its sustainability strategy and performance.

Double Materiality

In 2025, CHC applied the GRI Standards and considered industry trends to conduct a double materiality assessment, evaluating:

- Sustainability topics with significant impacts on the Group's business development, performance, and risks.
- Sustainability topics with significant economic, environmental, and social impacts on stakeholders.

2 Topic Review



Review and Update

The Sustainable Development Office reviewed the previous year's material topics, IFRS Sustainability Disclosure Standards S1 and S2, international sustainability assessments, and industry benchmarks, and identified 14 sustainability topics for evaluation.

3 Questionnaire Design and Survey



Questionnaire Design

The survey assessed stakeholders' concerns regarding sustainability topics while incorporating international sustainability trends. Internal managers also evaluated the financial and operational impacts of each topic.

Survey Distribution

A total of 401 valid responses were collected from the Group's nine stakeholder groups, including employees across the Group.

4 Assess and Confirm Material Topics



CHC analyzed the assessment results based on internal and external impacts and stakeholder concern levels to develop the Materiality Matrix.

Following review by the Sustainable Development Committee and approval by the Board of Directors, the five highest-scoring topics (with a combined impact and financial score above 12) were identified as the Group's material topics for 2025 and prioritized according to their relative significance.

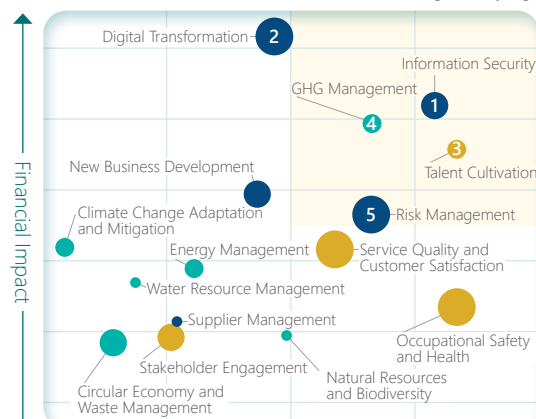
Topics that did not meet the materiality threshold remain under ongoing management and monitoring and will be reviewed regularly as part of future materiality assessments.

Materiality Matrix

• Governance • Social • Environmental

Stakeholder Concern

Low Moderate High Very High



Impact on the Economy, Environment, and Society →

Materiality Assessment Frequency

CHC originally planned to conduct a materiality assessment every three years while continuously reviewing and refining its sustainability management priorities. To align with the implementation of the IFRS Sustainability Disclosure Standards and refocus the Group's sustainability priorities, the assessment was conducted ahead of schedule in 2025 to ensure that the management of material topics remains aligned with the latest reporting requirements and business practices.

Material Topic	Positive Impact	Negative Impact	Time Horizon	Likelihood	Financial Impact
1 Information Security	2.71	-2.28	Short-, Medium-term	2.73	3.00
2 Digital Transformation	2.47	-1.98	Medium-, Long-term	3.36	2.73
3 Talent Cultivation	2.75	-2.30	Short-, Medium-, Long-term	3.09	2.45
4 GHG Management	2.36	-2.39	Short-, Medium-, Long-term	3.36	2.36
5 Risk Management	2.74	-2.06	Short-, Medium-, Long-term	2.82	2.36

Material Topic Management Approach

Material Issues	Business & Value Chain Impact ● Direct Impact ○ Indirect Impact	Financial Impact *Estimated Financial Impact (as a percentage of the Group's total revenue): Low: < 1% Medium: 1-5% High: > 5%	Impact on the Company: Actual/Potential impact Positive/Negative impact	2025 Management Approach	2025 Performance	2026 Targets	Corresponding GRI Material Topic	Related Section
Information Security	Business Impact ● Cost ○ Revenue ● Risk	Medium	Potential Positive Impact: Strengthens operational security and risk management, ensuring business continuity.	Strengthen information security through structured governance, regular management reviews, and reporting to the Board of Directors, supported by daily system monitoring, off-site backups, core system disaster recovery drills, endpoint protection, audits, and training to enhance management effectiveness and employee awareness.	- Conducted regular cybersecurity governance meetings and reviewed ISMS implementation. - Established cybersecurity infrastructure and strengthened preventive capabilities. - Continued cybersecurity awareness campaigns and employee training.	- Enhance identity management and authentication mechanisms by introducing MFA. - Implement a centralized cybersecurity monitoring platform to improve visibility. - Continuously optimize ISMS and cybersecurity risk management. - Improve cybersecurity resilience and management capabilities. - Strengthen cybersecurity awareness and incident response training.	Self-defined	2.9 Digital Resilience
	Value Chain Impact ● Own Operations ● Downstream		Potential Negative Impact: Major cybersecurity incidents may result in reputational damage, operational disruption, and legal risks.					
Digital Transformation	Business Impact ○ Cost ○ Risk	Low	Potential Positive Impact: Enhances operational efficiency through digital transformation, improving management effectiveness and business performance.	Enhanced core information systems and digital capabilities to improve operational efficiency and support business growth.	- Continued integration and upgrades of core systems, establishing a unified management platform. - Completed ERP implementation and streamlined workflows to improve operational efficiency. - Continued digital transformation of the hospitality business and completed the implementation of the Gemcare Maternity Center management system.	- Continue strengthening core system integration and data governance. - Improve digital maturity to enhance operational efficiency and service quality. - Launch a digital membership rewards platform for the hospitality business.	Self-defined	2.9 Digital Resilience
	Value Chain Impact ● Own Operations		Potential Negative Impact: Digital transformation may increase short-term costs and require organizational change and talent development. Delays in implementation could affect operational efficiency and business continuity.					

Material Issues	Business & Value Chain Impact ● Direct Impact ○ Indirect Impact	Financial Impact *Estimated Financial Impact (as a percentage of the Group's total revenue): Low: < 1% Medium: 1–5% High: > 5%	Impact on the Company: Actual/Potential impact Positive/Negative impact	2025 Management Approach	2025 Performance	2026 Targets	Corresponding GRI Material Topic	Related Section
Talent Cultivation	Business Impact ○ Cost ○ Revenue ○ Risk	Low	Potential Positive Impact: A comprehensive talent development framework enhances employee engagement, professional capabilities, and long-term competitiveness. Potential Negative Impact: Labor shortages and talent competition may increase recruitment and retention costs, affecting operational stability.	Foster a workplace culture centered on Shared Prosperity, Shared Excellence, and Shared Success, while strengthening talent development and organizational capabilities to support sustainable growth.	1. Continue to optimize talent attraction, development, and retention mechanisms while fostering a diverse and inclusive workplace. In 2025, CHC received the HR Asia Best Companies to Work for in Asia award for the first time and continued to be recognized with the Commonwealth Sustainability Citizen Award, Commonwealth Talent Sustainability Award, and Family-Friendly Workplace Award, Parenting Magazine, further strengthening its reputation as an employer of excellence. 2. Enhance employee care and communication mechanisms while actively promoting work-life balance. In 2025, CHC was recognized for the first time as one of the Age-Generations Top 100 Companies, Business Weekly and received the Parenting Friendly Enterprise Award, Taipei City Government, demonstrating the effectiveness of its comprehensive employee care initiatives and its diverse, inclusive, and intergenerational workplace. 3. Advance institutionalized talent development and deepen corporate culture. In 2025, CHC formally launched the Management Book Club to foster a learning organization, with a total of seven sessions conducted during the year. 4. Implement ChatGPT, Canva, and SAP systems in a planned and systematic manner. Through 69 hours of comprehensive SAP training, CHC effectively accelerated its digital transformation.	1. Continue digital HR transformation and enhance HR information systems to support IFRS S1/S2 sustainability disclosures. 2. Strengthen talent development, diversity, equity and inclusion (DEI), and employee engagement. 3. Promote innovation through AI applications to improve operational efficiency and organizational agility.	GRI 401 GRI 404 GRI 405-1	4.1 Inclusion 4.2 Well-being 4.3 Co-learning
	Value Chain Impact ● Own Operations							

Material Issues	Business & Value Chain Impact ● Direct Impact ○ Indirect Impact	Financial Impact *Estimated Financial Impact (as a percentage of the Group's total revenue): Low: < 1% Medium: 1–5% High: > 5%	Impact on the Company: Actual/Potential impact Positive/Negative impact	2025 Management Approach	2025 Performance	2026 Targets	Corresponding GRI Material Topic	Related Section
GHG Management	Business Impact ● Cost ● Revenue ○ Risk Value Chain Impact ● Upstream ● Own Operations ○ Downstream	Low	Potential Positive Impact: Effective GHG management reduces climate-related risks and energy costs while improving operational resilience and long-term competitiveness. Potential Negative Impact: Failure to respond proactively to climate risks and regulatory changes may increase carbon-related costs and affect long-term business sustainability.	Strengthen GHG management by enhancing emissions data quality and transparency, while integrating carbon reduction into business operations and decision-making.	1. Continued GHG inventory and third-party verification to ensure data accuracy and reliability. 2. Expanded GHG management scope and strengthened emissions management across the value chain. 3. Applied digital tools to improve energy efficiency and emissions management.	1. Continue aligning with the SBTi 1.5°C pathway and optimize decarbonization strategies through enhanced carbon management. 2. Further integrate carbon reduction into operations, procurement, and decision-making to strengthen low-carbon transformation. 3. Enhance the application of the Energy Management System (EMS) to improve energy efficiency and climate resilience.	GRI 302-1 GRI 302-3 GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4	3.3 Environmental Management and Resource Efficiency
Risk Management	Business Impact ● Cost ● Revenue ● Risk Value Chain Impact ○ Upstream ● Own Operations ○ Downstream	Low	Potential Positive Impact: A sound risk management framework strengthens the Company's ability to identify and respond to uncertainties, enhancing operational resilience and decision-making. Potential Negative Impact: Inadequate risk identification and response may reduce the Company's ability to manage external changes and major events, affecting long-term business stability.	Strengthen the Group's risk management framework through cross-functional collaboration and Board oversight to enhance risk identification, assessment, and response capabilities.	1. Strengthened Board oversight and cross-functional participation to regularly review enterprise risk profiles and response measures. 2. Enhanced risk management capabilities through professional training and awareness programs. 3. Continued risk monitoring and control to ensure effective implementation of the risk management framework.	1. Complete the annual enterprise risk assessment and continuously improve the risk management framework through the PDCA cycle. 2. Further strengthen Group-wide risk management and integrate risk assessment results into business decision-making.	Self-defined	2.5 Risk Management

2.4 Regulatory Compliance

2.4.1 Regulatory Compliance

The Legal Division is responsible for reviewing contracts to ensure legal compliance and effective risk management. It also monitors regulatory developments, updates standard contract templates accordingly, and coordinates the resolution of contract-related disputes.

In 2025, four Legal Division employees completed 85 hours of external compliance training. Internally, the Company conducted three compliance training sessions on Trade Secret Protection, Copyright and Intellectual Property Basics, and the Personal Data Protection Act, with 67 employee participants. These programs continue to strengthen employees' legal awareness and compliance culture.

No material violations of laws or regulations, or related fines, were recorded in 2025.

Note: A material regulatory violation refers to an administrative penalty exceeding NT\$1 million.

2.4.2 Personal Data Protection Policy

1 Personal Data Protection Management Policy

To comply with the Personal Data Protection Act and related regulations, CHC has established the Personal Data Protection Management Policy to govern the collection, processing, and use of personal data. The policy safeguards personal information, prevents unauthorized access or misuse, and promotes the lawful and appropriate use of personal data.

The policy applies to all CHC employees, affiliated companies, and third parties conducting business with CHC, including both legal entities and natural persons.

To ensure effective implementation, CHC has established the Personal Data Protection Management Committee, chaired by the President and composed of designated representatives and department heads. The Committee oversees the planning, supervision, auditing, maintenance, and continuous improvement of the Company's personal data protection management system. Detailed procedures for the collection, processing, and use of personal data, as well as the Committee's organization and operation, are separately defined.

2 Personal Data Protection Management Committee

The Committee convenes at least once each third quarter to review the implementation of personal data protection measures. A dedicated contact window is also maintained for incident reporting, communication, and coordination.

Its key responsibilities include:

- ① Developing and promoting the Company's personal data protection policy.
- ② Assessing and managing personal data protection risks.
- ③ Coordinating data protection activities and emergency response.
- ④ Conducting periodic audits of personal data protection practices across departments.
- ⑤ Reviewing the legal compliance and effectiveness of the personal data protection management system.
- ⑥ Investigating and responding to actual or suspected personal data breaches.

No personal data breach incidents occurred in 2025.

2.4.3 Intellectual Property Management Policy

In support of the Group's expanding global operations, CHC continues to strengthen intellectual property (IP) management by enhancing brand management, protecting innovation, and raising employees' awareness of IP protection. The Company has established the Intellectual Property Management Guidelines to improve the effectiveness of IP management.



1 Trademark Management

CHC has established a Trademark Management Policy based on its IP Management Guidelines. The Company conducts annual reviews of trademark registrations, maintains a centralized trademark database, and continuously optimizes its Corporate Identity System (CIS) to strengthen brand recognition and protect trademark rights.

2 Trade Secret Protection

CHC safeguards trade secrets through confidentiality measures and non-disclosure agreements. All employees are required to protect confidential information during and after their employment, and any breach of confidentiality is subject to legal liability.

3 Copyright Management

CHC retains the intellectual property rights to work-related creations developed by employees. The Company also requires suppliers and business partners to ensure that all content used is legally authorized and free from intellectual property infringement.

4 Implementation Status

1. IP management is reported to the Board of Directors annually.
2. IP policies and objectives are reviewed regularly to support business development.
 - ① Regularly update intellectual property policies and objectives to support the Group's overseas business expansion goals.
 - ② Continued to refine trademark application procedures and management systems in 2024. As of December 31, 2025, the Group had obtained or applied for a total of 83 trademarks across its key markets in Taiwan, Japan, and China.
 - ③ Enhance trade secret management systems to strengthen awareness of trade secret protection across the Group.

2.5 Risk Management

2.5.1 Risk Management Policy

CHC established its Risk Management Policy on December 15, 2020. To continuously strengthen its risk management framework, the Policy was revised in 2023 with reference to the Risk Management Best Practice Principles for TWSE/TPEX Listed Companies. On December 12, 2024, the Board of Directors approved the establishment of the Risk Management Committee to oversee the implementation of CHC's risk management framework and further enhance risk governance.

For more information, please refer to the Risk Management section on CHC's official website.

2.5.2 Risk Management Implementation

- External professional consultants are engaged to support and review CHC's risk management processes and implementation results.
- In 2025, external consultants assisted with a strategic risk enhancement project.
- The Risk Management Task Force conducts semi-annual reviews of CHC's risk management framework. The review reports for the second half of 2024 and the first half of 2025 were submitted to the Risk Management Committee on March 27, 2025, and August 28, 2025, respectively. An annual risk management report is also presented to the Risk Management Committee and the Board of Directors at the beginning of each year.
- The 2026 Risk Assessment Report was presented to the Risk Management Committee and the Board of Directors on December 11, 2025, and CHC's risk appetite was approved.

2.5.3 Risk Governance Structure

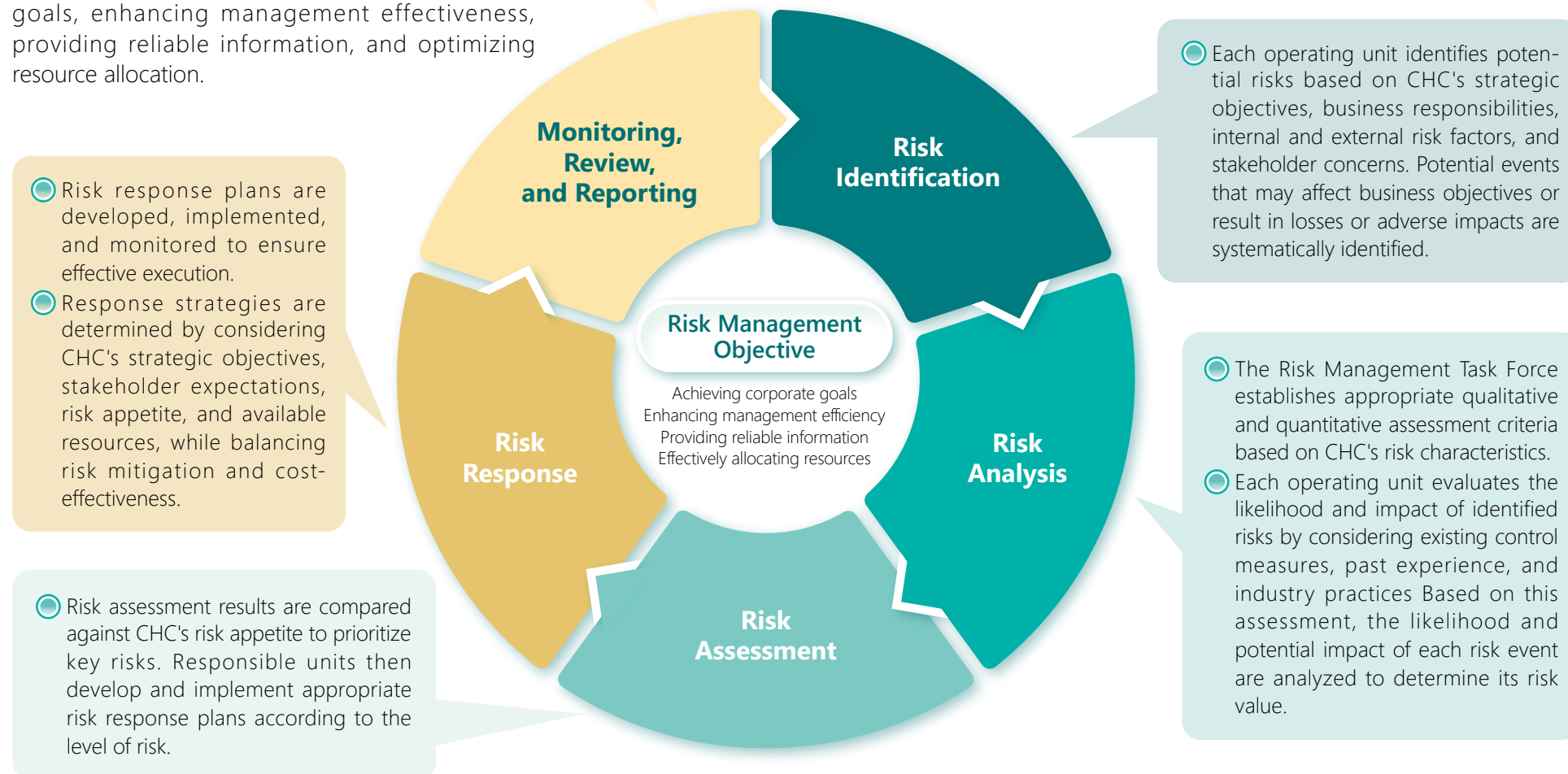


- The Board of Directors serves as the highest risk governance body, responsible for approving CHC's risk management policies and related regulations, overseeing the overall implementation of risk management, and ensuring effective risk control.
- The Risk Management Committee assists the Board of Directors in overseeing CHC's risk management framework. Supported by the Risk Management Task Force, the Committee reviews risks related to strategy, operations, compliance, finance, and other areas (including environment, energy, and emerging risks), conducts integrated risk assessments, and reports to the Committee and the Board of Directors at least twice a year.
- The Risk Management Task Force is responsible for planning, implementing, and monitoring risk management activities. Members are drawn from diverse functions, including macroeconomics, strategic planning, investment, risk management, internal audit, human resources, finance, legal affairs, and sustainability, providing cross-functional expertise and perspectives.
- Each operating unit is responsible for:
 1. Responsible for risk identification, analysis, assessment, and response.
 2. Regularly reporting risk management information to the Risk Management Task Force.
 3. Ensuring the effective implementation of risk management and related control procedures in compliance with the Risk Management Policy.
- As an independent unit reporting directly to the Board of Directors, the Audit Office reviews the effectiveness of CHC's risk management framework and related control measures through the annual audit plan, helping ensure that key business risks are properly managed.

2.5.4 Risk Management Process

CHC's risk management framework is designed to identify, assess, respond to, monitor, and report risks that may affect the achievement of corporate objectives. By integrating risk management into daily operations and business activities, CHC aims to achieve four key objectives: accomplishing business goals, enhancing management effectiveness, providing reliable information, and optimizing resource allocation.

- The effectiveness of the risk management framework and related control measures is regularly monitored and reviewed. Risk management activities and outcomes are documented, reviewed, and retained for future reference.
- The Risk Management Task Force reports implementation results regularly to the Risk Management Committee and the Board of Directors to ensure the effective execution of risk management.



2.5.5 Building a Risk-Aware Culture

Since 2022, CHC has engaged external consultants to provide annual enterprise risk management training. Through structured training programs and the establishment of systematic risk management mechanisms, CHC integrates risk awareness into daily operations and strengthens organizational resilience. In 2024, CHC further enhanced its risk management framework by appointing dedicated personnel, implementing a structured risk identification process, integrating risk management with the internal control system, and establishing a comprehensive risk database.

Tiered Training – Building Risk Awareness

CHC provides employees with foundational risk management training to strengthen risk identification and prevention capabilities, while offering advanced training for managers to enhance risk-based decision-making and response capabilities.

Risk Management Task Force – Strengthening Risk Governance

A cross-functional Risk Management Task Force has been established to oversee risk monitoring, develop risk assessment criteria, and establish early warning indicators. Supported by external consultants, the Task Force continuously strengthens CHC's risk management framework and embeds risk management practices throughout its operations.

Risk Management Training Programs in 2025

Training Program	Duration	Participants
AI Governance and Sustainability Governance for Organizational Resilience and Digital Transformation	3 hours	Directors, Department Heads, and Designated Personnel
Opportunities and Challenges of Generative AI for Businesses	3 hours	Directors, Department Heads, and Designated Personnel
Governance Challenges of IP legal compliance and Governance Challenges in the AI Era	3 hours	Directors, Department Heads, and Designated Personnel
Global Political and Economic Trends and Responses to Economic Risks	3 hours	Directors, Department Heads, and Designated Personnel
Risk Assessment Interviews and Review Meetings*	3 hours	General Managers, Department Heads, Designated Personnel of Each Group Company, and the Risk Management Task Force
Review of Fundamentals of Risk Management	1 hour	The Risk Management Task Force and Designated Personnel

Note: To strengthen risk awareness and reinforce the Group's risk management framework, CHC engaged external consultants to facilitate six risk assessment interviews and review meetings in 2025. These sessions enabled participants to develop a shared understanding of key risks and supported the successful completion of the annual risk assessment.

2.5.6 Major Risks and Emerging Risks (Marked as*)

Risk Description	Potential Impact	Mitigation Measures
Building Durability, Safety and Legal Compliance	Revenue reduction / Employee safety / Increased Capital expenditure	Renovate the façade, elevator lobbies, landscaping, and roadways of the front building of Chia Hsin Building.
*Policy Changes towards Achieving Net-Zero Carbon Emissions by 2050	Revenue reduction / Increased operating costs / Corporate reputation	- Explore new business opportunities and growth drivers. - Negotiate contract modifications with the Taiwan international ports corporation timely based on market demands and development trends. - Monitor regulatory developments and implement appropriate response measures. - Implement carbon reduction initiatives to achieve committed SBT targets.
Extreme Climate	Financial losses / Employee safety / Operational disruption	- Strengthen sustainability, crisis management, and business continuity plans. - Regularly review emergency response procedures and infrastructure resilience. - Increase or maintain insurance coverage at an adequate level. - Improve climate-related disclosures in accordance with IFRS S1/S2.
Labor Shortages Driven by Demographic Decline and Regional Workforce Constraints	Operational disruption	- Strengthen industry-academia collaboration and brand promotion. - Enhance recruitment and talent retention initiatives. - In-Home Babycare Program Planning.
Business Continuity Risks from Disasters, Accidents, and Infectious Diseases	Equipment losses / Revenue reduction / Impact on reputation	- Strengthen sustainability, crisis management, and business continuity plans. - Diversify the supplier network. - Conduct regular emergency response training and drills. - Maintain effective communication mechanisms and emergency response procedures.
Competitive risk from Industry Peers	Increased operational costs / Impact on reputation	Strengthen partnerships with upstream suppliers and strategic partners to improve market competitiveness and address industry challenges.
Strategic New Market Expansion Risk	Property losses/ Impact on reputation	- Leverage external expertise and internal capabilities to identify new business opportunities. - Expand postpartum care, hospitality, and healthcare services while strengthening professional talent development. - Evaluate and develop new business opportunities to enhance market competitiveness and support business transformation.



2.6 Ethical Management

2.6.1 Code of Ethical Conduct

To foster a culture of integrity and establish a sound foundation for sustainable business operations, CHC has adopted the Code of Ethical Conduct and the Ethical Corporate Management Best Practice Principles in accordance with applicable laws and regulations. Both documents are approved by the Board of Directors, and any amendments are subject to Board approval.

The Code of Ethical Conduct and the Ethical Corporate Management Best Practice Principles were first adopted in May 2014 and most recently revised with Board approval on November 11, 2020. Both policies are published on the Company's internal and external websites and updated promptly following any amendments. CHC also incorporates integrity clauses into external contracts to reinforce its commitment to ethical business practices.

Dedicated Unit for Ethical Corporate Management

The Headquarters Office is responsible for planning, promoting, and overseeing ethical corporate management initiatives. The implementation status is reported to the Board of Directors on a regular basis, at least once a year.

2.6.2 Implementation Report to the Board of Directors

In March 2021, all Directors and senior executives signed the Declaration of Compliance with the Ethical Corporate Management Policy, committing to comply with the Company's Ethical Corporate Management Best Practice Principles and applicable integrity-related regulations. The signing rate of Directors reached 100%.

Following the Board re-election in 2022, all newly appointed Directors and senior executives completed the Declaration in 2023, maintaining

a 100% signing rate. CHC continues to require all newly elected Directors and newly appointed senior executives to complete the Declaration after each Board re-election to ensure the consistent implementation of its ethical corporate management policy.

On December 11, 2025, the dedicated unit responsible for promoting ethical corporate management reported the annual implementation results to the 474th Meeting of the Board of Directors.

2.6.3 Measures for Promoting Ethical Corporate Management

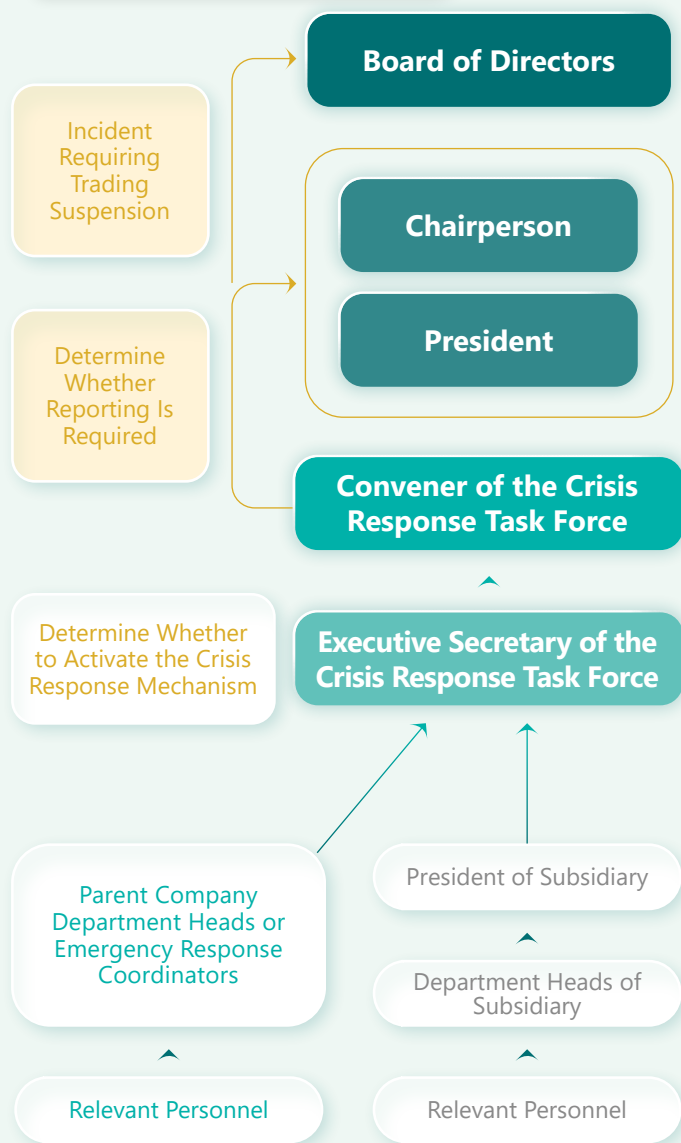
To prevent unethical conduct and implement the Ethical Corporate Management Best Practice Principles, CHC has established the Procedures for Ethical Management and Guidelines for Conduct, which define the standards of ethical business conduct, disciplinary actions for violations, and grievance mechanisms. In addition, the Company reinforces ethical management requirements through its work rules and internal operating procedures. Ethical values are further promoted across the Group through internal communications, employee training, and enhanced operating procedures.

Since 2020, CHC has required suppliers to sign the Integrity Commitment and the Corporate Social Responsibility Commitment. Since

2022, the Company has also extended ethics and anti-corruption training to key suppliers, reinforcing its commitment to ethical corporate management and integrity in procurement.

CHC has also established a structured incident reporting mechanism, with clear reporting levels and escalation procedures based on the nature of each incident. This ensures that significant incidents are reported and addressed promptly. Subsidiaries are required to report incidents to the parent company in accordance with established procedures. Through regular drills and accountability mechanisms, CHC prevents delayed or concealed reporting and strengthens ethical corporate management and information transparency.

Reporting Process



2.6.4 Ethical Corporate Management Training

To reinforce its ethical corporate management policy and prevent unethical conduct, CHC has established relevant policies and provides ethical corporate management training for employees. The implementation of training programs in 2025 is summarized below.

Employee Training on Ethical Corporate Management	Management Seminar Date: October 17, 2025 Speaker: External legal expert Topics: Ethical corporate management, labor relations, and key integrity risk management practices. 🕒 Training Duration: 3 hours
	Employee Training Date: November 14, 2025 Speaker: Internal instructor Topics: Ethical corporate management, integrity case studies, and insider trading compliance. 🕒 Training Duration: 1.5 hours
A total of 201 employees participated in the annual training program, representing a 100% participation rate based on employees on payroll as of November (including new hires). CHC will continue to provide ethical corporate management training across the Group.	
Supplier Training on Ethical Corporate Management	• 28 suppliers participated, representing over 89% of the Company's annual net procurement value. • 52 participants attended. 🕒 Training Duration: 1 hour
Orientation for New Employees	1. "Preventing Insider Trading" e-learning course is mandatory for all new employees. In 2025, 22 new employees completed the course (12 in April and 10 in October). 2. All new employees are also required to participate in the Company's annual ethical corporate management training.

2.6.5 Insider Trading Prevention and Compliance Awareness

CHC has established the Procedures for Handling Material Inside Information and Preventing Insider Trading to strengthen insider trading prevention and ensure compliance with applicable laws and regulations. The Company provides quarterly guidance to insiders on pre- and post-trading reporting requirements for shareholdings, while monthly email communications are used to reinforce the Procedures and relevant regulatory updates.

Newly elected Directors and Independent Directors receive regulatory guidance upon appointment and are required to sign a Declaration of Compliance with Insider Trading Regulations within five days of assuming office. Copies of the declarations are submitted to the Taiwan Stock Exchange (TWSE) within the prescribed timeframe.

To safeguard shareholders' rights and ensure equitable treatment of shareholders, CHC revised its Corporate Governance Best Practice

Principles in 2022 to prohibit Directors from trading CHC shares or other equity-related securities during the 30-day closed period before the announcement of annual financial reports and the 15-day closed period before the announcement of quarterly financial reports. The Company also amended the Procedures for Handling Material Inside Information and Preventing Insider Trading to reinforce these requirements.

To strengthen compliance awareness, CHC regularly conducts Insider Trading Prevention and Ethical Corporate Management training for employees and management across the Group. Training covers insider trading regulations, integrity-related case studies, and preventive measures. Training materials are made available through the Company's internal platform for future reference.

Whistleblowing

Mechanism

To uphold ethical corporate management and sound corporate governance, CHC has established the Whistleblowing Procedures in accordance with its Ethical Corporate Management Best Practice Principles. The Procedures apply to CHC and its subsidiaries and are available to both internal and external stakeholders.

Reporting Channels



① Telephone

+886-2-2551-2317

Calls may be recorded, where appropriate, to facilitate investigations while maintaining strict confidentiality.



② Mail

Head of Audit Office
Chia Hsin Cement Corporation
**No. 96, Sec. 2, Zhongshan
N. Rd., Zhongshan Dist.,
Taipei City 104, Taiwan**



③ E-mail

chcgroup.audit@gmail.com
Supporting documents should be encrypted before submission to protect confidential information.

No internal or external whistleblowing cases

were reported in 2025.

For details of the Whistleblower Protection Mechanism, please refer to the Company's Whistleblowing Procedures and the Procedures for Ethical Management and Guidelines for Conduct, which include disciplinary measures and grievance procedures. More information on CHC's ethical corporate management policies is available on the Company's official website.

2.7 Responsible Procurement

2.7.1 Supplier Management Policy



CHC established its Supplier Management Policy in 2020, which has been implemented across all subsidiaries within the Group. The Policy emphasizes green procurement by promoting energy conservation and environmental protection while requiring suppliers to respect human and labor rights, including the prohibition of child labor. Suppliers are also expected to uphold ethical business practices and fulfill their corporate social responsibility commitments by signing the Integrity Commitment and the Corporate Social Responsibility Commitment.

The Company conducts regular training and performance evaluations based on supplier categories. Since 2022, CHC has provided ethical corporate management and anti-corruption training for key suppliers and has continued to engage suppliers on sustainability-related practices. Through contractual requirements, suppliers are expected to comply with standards on labor and human rights, ethical corporate management, and green procurement. Implementation results are reported to the Board of Directors on a regular basis.

Following a comprehensive review of the Supplier Management Policy and procurement

procedures across all subsidiaries in 2025, CHC revised the relevant policies. Beginning in 2026, suppliers participating in procurement projects above a specified threshold will be required to complete the revised Supplier Code of Conduct and Supplier ESG Self-Assessment Questionnaire. The Company will also implement a screening mechanism covering both new and existing suppliers, supported by annual on-site assessments. Internally, CHC has established clear green procurement policies and standards to strengthen systematic and data-driven supply chain management, further enhancing supply chain sustainability.

2.7.2 Implementation of Supplier Management Policy and Related Practices

▼ Supplier Evaluation and Performance Assessment

- In 2025, CHC completed annual performance evaluations for suppliers of cement and packaging bag products. Evaluation criteria included quality, delivery, cooperation, pricing, ethical corporate management, labor and human rights, and green procurement. The evaluation completion rate was 100%.
- The Central Kitchen of Jaho Life Plus+ Management Corp. completed the 2025 annual supplier evaluation for all 22 suppliers, achieving a 100% evaluation rate.

▼ Supplier Engagement and Training

- In December 2025, CHC invited suppliers and business partners to participate in an Ethical Corporate Management Training program. A total of 28 suppliers participated, with 52 attendees.

▼ Supplier Contracts

- In 2025, CHC continued to require suppliers, through contractual agreements, to comply with the principles of labor and human rights, ethical corporate management, and green procurement.

To reinforce ethical business practices, suppliers are selected in accordance with the Company's Ethical Corporate Management Best Practice Principles. Suppliers exceeding a specified procurement threshold are required to sign an Integrity Commitment, Non-Disclosure Agreement, and Supplier Corporate Social Responsibility Commitment.

Beginning in 2026, the Supplier Corporate Social Responsibility Commitment will be replaced by the Supplier Code of Conduct, and applicable suppliers will also be required to complete the Supplier ESG Self-Assessment Questionnaire.

2.7.3 Responsible Procurement



Cement Sector

- CHC procures cement primarily through Taiwan Cement (TCC) and Asia Cement (ACC), incorporating quality, human rights, and environmental considerations into procurement decisions. The Company continues to increase low-carbon cement procurement and enhance storage and distribution capacity to support responsible procurement.



Hospitality Sector

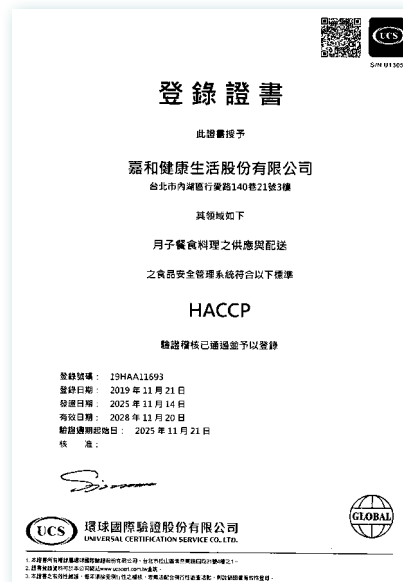
- Minimize the use of single-use and melamine tableware.
- Prioritize locally sourced ingredients to reduce transportation-related carbon emissions.
- Promote organic agriculture and local revitalization through the regular procurement of organic produce.

2.8 Food Safety

CHC regards food safety as a core commitment to protecting customer health and ensures consistent implementation through a systematic food safety management framework. Both Hotel Collective and the Central Kitchen of Jaho Life Plus+ have established comprehensive food safety management systems and continuously refine their management processes to deliver safe, high-quality dining experiences.

Hotel Collective adopted the HACCP management system during its initial establishment and obtained SGS HACCP third-party certification in 2025. Its facilities have also been LEED-certified since opening, demonstrating an integrated approach to food safety and sustainable operations. Meanwhile, the Central Kitchen of Jaho Life Plus+ obtained both ISO 22000 and HACCP certifications in 2020, strengthening its food safety management in line with international standards.

CHC complies with all applicable food safety and hygiene regulations and promotes a culture of food safety through company-wide participation. By strengthening transparent communication, professional training, and continuous capability development, the Group enhances food safety management across all operations to ensure customers receive safe, reliable, and high-quality food services.



	Responsible Procurement	Regular Monitoring	Education and Training
Management Practices	Prioritize fresh, safe, and locally sourced ingredients from suppliers with valid business and food business registrations.	0 non-conforming cases recorded during the year. Conduct both internal and external audits to ensure compliance with hygiene standards for operating environments and raw materials.	Employees are required to complete training on hygiene, food safety, and HACCP practices.
Jaho Life Plus+ Management Corporation	Source certified traceable ingredients and regularly procure organic produce from contracted farms.	- Ensure food temperatures meet required standards. - Test finished products every six months. - Test drinking water quality annually.	Conducted 4 internal training sessions in 2025, covering hygiene, food safety, and HACCP refresher training, with a 100% participation rate.
Hotel Collective	Prioritize local ingredients, including Okinawan Agu pork, Yanbaru Wakadori(やんばる若鶏), purple sweet potatoes, and craft beer, while promoting the farm-to-table concept and local food culture.	- Conduct quarterly environmental swab tests. - Perform regular in-house microbiological testing.	Employees receive at least 8 hours of hygiene training annually.

2.9 Digital Resilience

2.9.1 Information Security Risk Management Framework

CHC has established the Information Security Management Review Committee as the highest decision-making body for information security governance, chaired by the President. The Committee is responsible for reviewing and approving information security management matters. An Information Security Officer, under the Headquarters Office, supports the Committee in overseeing the implementation of the Company's information security management framework.

The IT Division serves as the responsible unit for implementing the Company's information security policies and guidelines. Through the continuous enhancement of its information security environment and control measures, the Company proactively prevents and mitigates cybersecurity risks.

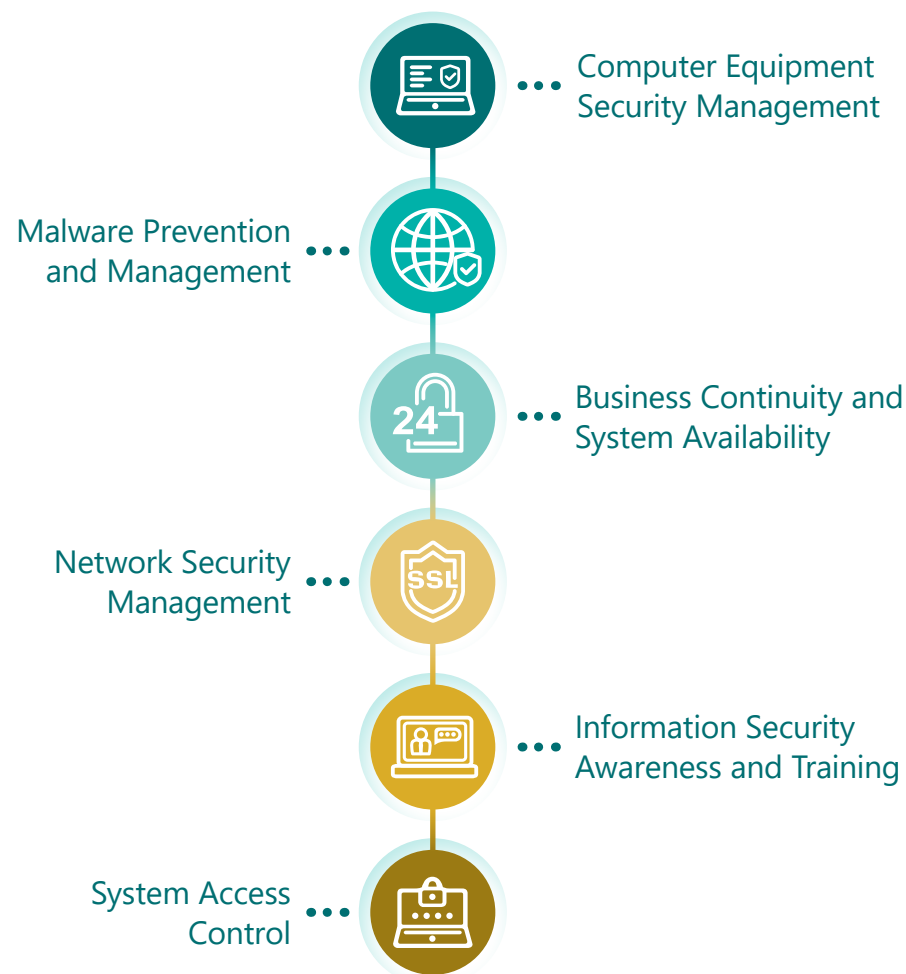
The Audit Office independently reviews the effectiveness of information security management. Any deficiencies identified through audits require corrective action plans from the responsible units, which are reported to the Board of Directors and followed up regularly to ensure effective implementation. In addition, external auditors conduct annual reviews of the Company's IT controls, with any identified issues subject to corrective actions and follow-up.

Recognizing the importance of information security, the responsible unit reports the Company's information security governance and implementation status to the Board of Directors on an annual basis.

The IT Division has established its information security management system in accordance with international standards. The Company has completed its four-tier documentation structure, risk assessment, and risk treatment plans, and continues to implement improvement measures based on the risk treatment plans. (Please refer to Section 4.6 Information Security Management of the 2025 Annual Report for details.)

2.9.2 Information Security Policy and Management Measures

To strengthen information security management and ensure the confidentiality, integrity, and availability (CIA) of information, while protecting information assets from internal and external threats, CHC has established six key information security management measures:



2.9.3 Information Security Resources

To implement its six key information security policies, CHC continues to invest in information security resources in the following areas:

- 1 Network Infrastructure – Firewalls, email antivirus solutions, spam filtering, web activity monitoring, and managed network switches.
- 2 Security Systems – Endpoint protection, backup management software, VPN authentication, and encryption solutions.
- 3 Telecommunications Services – Redundant network connections, cloud backup services, and intrusion prevention services.
- 4 Operational Resources – Daily system monitoring, weekly data backup and off-site media storage, at least two information security awareness training sessions each year, annual disaster recovery drills for core systems, annual internal audits of IT operations, and external audits conducted by independent auditors.
- 5 Information Security Personnel – A dedicated Information Security Officer and one full-time information security specialist are responsible for information security architecture, operations and monitoring, incident response and investigation, and policy review and revision. The Information Security Officer reports to the Board of Directors at least once a year.
- 6 System Upgrade and Data Center Migration – The Company's ERP system has been upgraded to SAP, which incorporates multi-layer security mechanisms to support a more secure and modern operating environment. In addition, the Company's server room has been relocated to an IDC (Internet Data Center) facility that meets professional data center standards. (Please refer to Section 5.6.5 of the 2025 Annual Report for details.)

No material information security incidents occurred in 2025.

2.9.4 Information Security Incident Reporting Process

Employees who identify abnormal computer system operations must immediately report the incident to the IT Division. When investigating system abnormalities or resolving failures, IT personnel are required to assess potential information security risks. Any incident that may compromise the confidentiality, integrity, or availability of information systems must be reported to the Information Security Officer.

If the incident is determined to be an information security incident, it will be reported to the Executive Secretary of the Crisis Response Task Force in accordance with the Company's Crisis Response Procedures for further assessment of whether it constitutes a material information security incident.

Following the resolution of an incident, the Company documents the incident, conducts a root cause analysis, and reviews corrective and preventive actions at the Information Security Management Review Committee to prevent recurrence.

2.9.5 Information Security Awareness

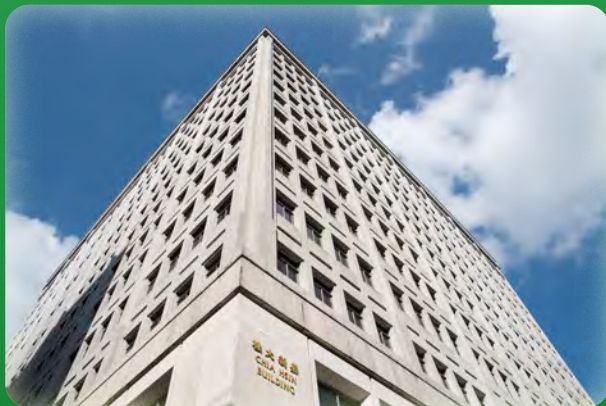
CHC provides annual information security training for all employees and incorporates information security awareness into new employee orientation. These programs strengthen employees' information security awareness and vigilance. Employees who do not pass phishing simulation exercises are required to complete additional anti-phishing training.

Training Program	Duration per Session	Sessions per Year	Participants
New Employee Orientation	0.5 hour	2	22
Anti-Phishing Training	1 hour	2	67
Information Security Training for All Employees	1 hour	2	162

03

Environmental Stewardship

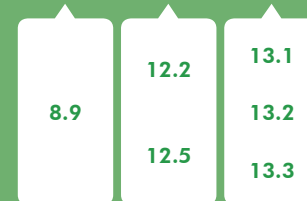
3.1	Climate Governance -----	39
3.2	Climate Action-----	42
3.3	Environmental Management and Energy & Resource Efficiency -----	50



Embrace our responsibility as a global citizen and strive for continuous improvement in environmental stewardship.

- Advance decarbonization through comprehensive carbon inventories and transparent disclosure of carbon reduction targets.
- Improve energy efficiency by implementing Energy and Environment Management Systems across all operating sites in Taiwan.
- Promote diverse green initiatives and strengthen sustainability capabilities across the organization.

PURSUE QUALITY OF LIFE



Strategy >

Drive business competitiveness and create social impact by embedding sustainability into business operations while advancing a just transition.

Business Competitiveness

Social Impact

03 Climate Governance

3.1 Climate Governance

Against the backdrop of accelerating climate change and the global energy transition, CHC regards environmental management as a critical foundation for strengthening corporate resilience. With climate change and energy efficiency identified as its core environmental topics, CHC continues to enhance operational stability through the adoption of Science Based Targets (SBTs), climate risk identification, and energy efficiency initiatives. By establishing a comprehensive environmental resilience management framework, the Company lays a solid foundation for its long-term, sustainable development.

3.1.1 Decision Integration and Performance Monitoring

To ensure that climate governance is effectively embedded in business operations, CHC has integrated climate-related considerations into its key decision-making and management processes, establishing an integrated management framework that spans risk identification, strategy development, and performance monitoring. Climate-related risks and opportunities are incorporated into operational and investment decision-making processes, while major investment and procurement proposals are required to assess their potential impacts on greenhouse gas emissions and energy consumption before being reviewed by management.

CHC also monitors its decarbonization and energy efficiency performance on a regular basis through the tracking of its Science Based Targets (SBTs) pathway, the Energy Management System (EMS), and the application of digital tools, thereby strengthening the data-driven foundation for management decision-making. Progress against climate-related performance targets and the status of climate risk management are reported regularly to the Sustainable Development Committee and the Board of Directors, ensuring that climate-related issues remain fully integrated into the Company's strategic planning and operational management, and reinforcing a comprehensive climate governance decision-making framework.

✓ Progress in Institutionalizing

Climate Governance

To further strengthen climate governance, CHC has continued to institutionalize its climate management framework by integrating policy development, performance oversight, and decision-making processes into the Board of Directors' oversight framework. The Company's key achievements are summarized below:

Policy Institutionalization

In 2025, the Board of Directors approved revisions to the Ecological and Environmental Energy Policy, explicitly reaffirming the Company's commitment to addressing climate change and advancing environmental sustainability, while defining the strategic direction for climate and environmental management.

Governance Oversight Metrics

The Board of Directors regularly reviews and oversees the following key environmental performance indicators:



- Greenhouse gas emissions and decarbonization progress
- Energy efficiency and energy-saving performance
- Implementation status of ISO international standards and sustainable building initiatives
- Progress in climate risk management and transition initiatives

Decision-Making Process Integration

- Climate-related considerations have been integrated into the evaluation process for major investment and procurement decisions.
- Major capital expenditure proposals are required to assess their potential impacts on greenhouse gas emissions and energy consumption.
- Climate management performance and climate risk management outcomes are reported regularly to the Board of Directors.

Through these institutionalized governance initiatives, CHC has advanced its climate governance beyond policy commitments by embedding climate-related considerations into decision-making and performance oversight mechanisms. This integrated governance approach continues to strengthen the Company's resilience in managing the risks and opportunities associated with the climate transition.

3.1.2 Environmental Policy and Governance Oversight Metrics

Role of the Board of Directors and Governance Oversight

To strengthen the Company's governance framework for addressing climate change and environmental issues, CHC has established the Ecological and Environmental Energy Policy, as approved by the Board of Directors. The Policy clearly sets out the Company's management approach to climate change, energy efficiency improvement, and resource management, while assigning the Board of Directors responsibility for providing ultimate oversight and regularly reviewing its implementation. On November 7, 2025, the 473rd Meeting of the Board of Directors and the 1st Meeting of the 3rd Sustainable Development Committee approved revisions to the Ecological and Environmental Energy Policy.

In response to climate change and the global net-zero transition, CHC has adopted environmental performance management and decarbonization pathways as key governance tools for advancing sustainable development in accordance with the Ecological and Environmental Energy Policy approved by the Board of Directors.

Recognizing that greenhouse gas emissions from its current operations are primarily associated with electricity consumption, CHC focuses on improving energy efficiency, reducing electricity-related emissions, and continuously enhancing its overall environmental management and resource efficiency.

In alignment with the Science Based Targets (SBTs) and Taiwan's 2050 Net-Zero Emissions policy, CHC has established and publicly disclosed Board-approved short-, medium-, and long-term environmental performance targets, which serve as the foundation for the CHC Group's environmental management, energy transition, and decarbonization initiatives. These targets cover key areas, including greenhouse gas emissions, energy use, and water resource management. Through its established management systems and regular review mechanisms, CHC continuously monitors progress against these targets and updates them as necessary to ensure their ongoing relevance and effectiveness.

Board-Approved Environmental Targets and Decarbonization Pathways

In response to climate change, the energy transition, and sustainable resource management, CHC's Board of Directors approved the revised Ecological and Environmental Energy Policy in November 2025, together with the Company's short-, medium-, and long-term environmental performance targets and decarbonization pathways for greenhouse gas emissions, electricity consumption, and water use. These targets provide

the foundation for the Company's environmental management framework and the implementation of related initiatives. They were established with due consideration of national policies, international initiatives, and the Company's operational characteristics, and are subject to ongoing monitoring and periodic review through established management systems to ensure their effective implementation and continuous improvement.

Environmental Indicator	Base Year	Short-term Target	Medium-term Target	Long-term Target	Management Strategy
Science Based Targets (SBTs)	2022	2026 21% reduction	2030 42% reduction	2050 100% reduction (Net Zero)	CHC established its greenhouse gas (GHG) reduction targets at the end of 2023 in line with the Science Based Targets (SBTs) and Taiwan's 2050 net-zero emissions policy. As 2022 was the most recent year for which complete annual GHG inventory data were available when the targets were established, it was designated as the base year. Going forward, CHC will continue to advance its GHG reduction initiatives by improving energy efficiency, implementing its renewable energy deployment plan for 2028, and strengthening relevant management systems.
Electricity Consumption	2023 ^{Note 1}	2024 1% reduction	2027 4% reduction	2030 7% reduction	Six sites have implemented the ISO 50001 Energy Management System. Through phased planning and continuous energy management initiatives, CHC aims to improve energy efficiency and reduce electricity consumption.
Water Consumption	2023 ^{Note 1}	2024 1% reduction	2027 4% reduction	2030 7% reduction	Based on the operational characteristics of each site, CHC has established phased water reduction targets and continues to improve water use efficiency through water-saving measures and water recycling and reuse initiatives.

Note 1: Due to adjustments to the Company's internal organizational structure and reporting boundary in 2023, 2023 has been adopted as the baseline year for the electricity consumption and water consumption reduction targets.

The implementation of the aforementioned environmental targets is supported through the Energy Management Program, Waste Management Program, and Water Resources Management Program. Progress is regularly monitored and reviewed under the Company's established management

mechanisms, with continuous improvement measures implemented to ensure that these environmental management initiatives effectively support CHC's long-term decarbonization and resource management objectives.



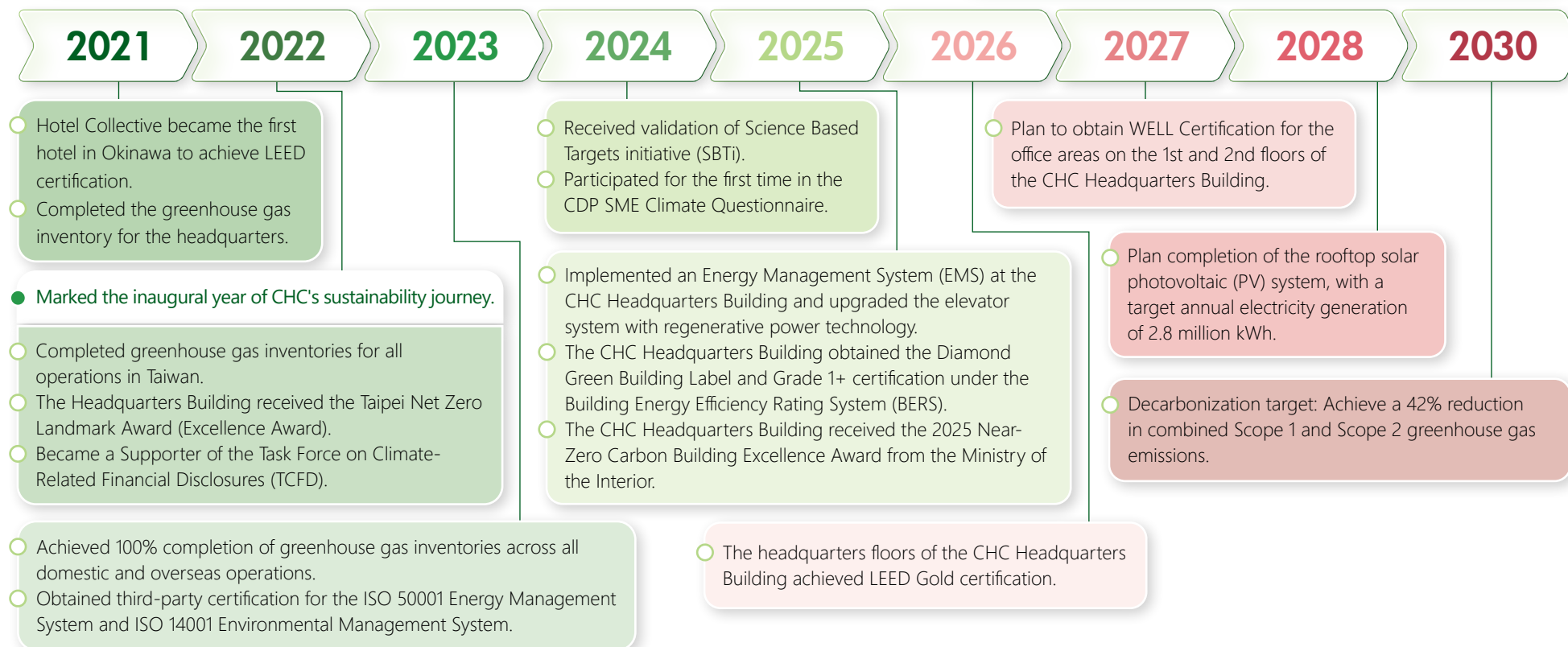
3.2 Climate Action

3.2.1 Decarbonization Targets and Milestones

In response to global climate change, CHC recognizes its responsibility to actively contribute to climate action and reduce greenhouse gas emissions. The Company has completed greenhouse gas inventories for all of its domestic and overseas operations for four consecutive years and continues to advance energy efficiency and decarbonization initiatives, moving steadily toward a net-zero, low-carbon future.

✓ Climate Governance and Decarbonization Milestones

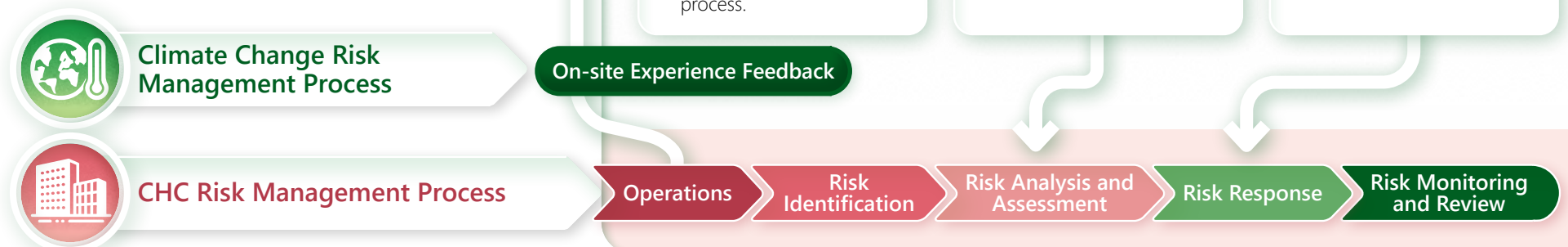
Aligned with the Paris Agreement and Taiwan's 2050 Net-Zero Emissions Roadmap, CHC submitted its Science Based Targets (SBTs) in 2023 and received target validation in January 2024, committing to a 42% absolute reduction in Scope 1 and Scope 2 greenhouse gas emissions by 2030, demonstrating our commitment to climate action and our determination to continuously reduce the carbon footprint of our operations.



3.2.2 Climate Risk Management Framework and Mechanisms

CHC conducts climate risk assessments across its three core business segments—Assets Management, Cement and Warehousing, and Hospitality. Building on its existing assessment of climate-related risks and opportunities, the Company periodically updates relevant issues in response to emerging industry trends and regulatory developments. Through cross-functional workshops, CHC identifies material climate-related risks, evaluates their potential financial impacts, and develops corresponding response measures.

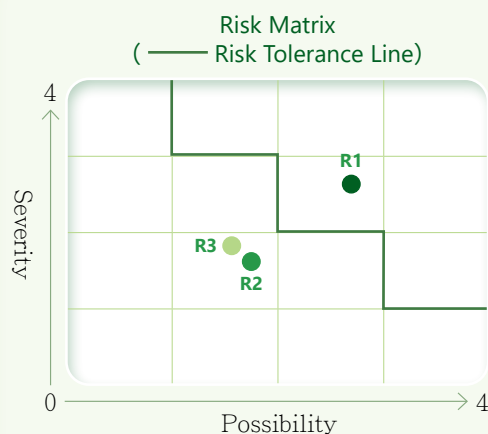
In accordance with the Company's risk management materiality criteria, material physical and transition risks identified by the Risk Management Task Force are incorporated into the Company's overall risk prioritization process. Through cross-functional collaboration and coordination led by the Sustainable Development Office and its task forces, CHC has established an integrated approach to climate risk assessment, response planning, and ongoing monitoring, thereby strengthening the effectiveness of its overall climate risk management.





Assets Management Business

Climate Risk and Opportunity Matrix



Transition Risks	Physical Risks	Opportunities
R1: Strengthening of regulations and policies related to existing products and services	R2: Damage to facilities or equipment resulting from catastrophic events	O1: Provision of low-carbon products and services
	R3: Impacts of extreme weather events on energy management	O2: Improvement of building energy efficiency
		O3: Adoption of low-carbon energy sources and distributed energy resources

Time Horizon of Climate Risks and Opportunities

Short-term (<3 yrs)	Medium-term (3–5 yrs)	Long-term (>5 yrs)
R2, O3	O2	R1, R3, O1

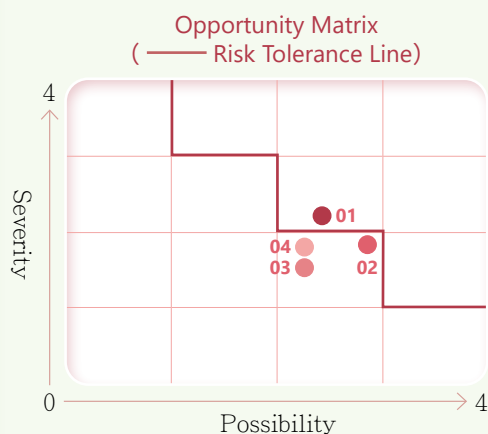
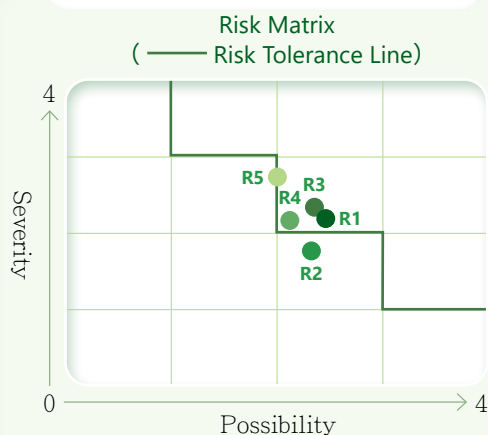
Material Climate-Related Risks and Opportunities and Response Strategies

Risk Type	Risk Driver	Risk Description	Business Model / Value Chain Impact			Potential Financial Impact	Response Measures
			Up-stream	Own Operations	Down-stream		
Transition Risk – Policy and Legal	Strengthening of regulations related to existing products and services	New construction or renovation projects may need to comply with increasingly stringent green building standards. Additional investment may be required to obtain green building certifications or meet enhanced regulatory requirements.	✓	✓	✓	Increased capital expenditure and operating costs.	- Use energy-efficient and environmentally friendly products throughout facilities. - Promote energy-saving and carbon reduction initiatives to improve energy efficiency. - Assess the feasibility of installing solar photovoltaic (PV) systems. - For asset development, evaluate the adoption of green building certification in line with shifting consumer preferences. In 2025, the CHC Headquarters Building was awarded dual green building certifications in Taiwan: the EEWB-EB (Existing Building) Diamond Certification and the EEWB-BERSe Grade 1+ Certification (Building Energy Efficiency Rating System).
Opportunity Type	Opportunity Factor	Opportunity Description	Up-stream	Own Operations	Down-stream	Potential Financial Impact	Response Measures
Products and Services	Provision of low-carbon products and services	Adopt renewable energy, high-efficiency materials, and green building technologies to reduce operating costs, enhance market competitiveness, and meet growing demand for low-carbon, climate-resilient, and green buildings.		✓	✓	Increased revenue and higher operating costs.	- Assess the feasibility of obtaining green building certification for owned assets. - Gradually replace existing equipment with high-efficiency, energy-saving alternatives and implement energy-saving measures. - Improve energy efficiency through the development of energy management strategies. - Optimize the operating efficiency of energy-consuming equipment.
Resource Efficiency	Improving building energy efficiency	Enhance building energy efficiency through measures such as replacing carbon-intensive equipment, installing energy-efficient equipment, and introducing renewable energy systems.		✓	✓	Reduced operating costs and increased revenue.	- Since 2023, progressively replaced elevators with energy-efficient, low-carbon models. - Complete the implementation of the Energy Management System (EMS) in 2026, leveraging real-time monitoring and data analytics to improve energy efficiency and support energy-saving and carbon reduction management.



Cement and Warehousing Business

Climate Risk and Opportunity Matrix



Transition Risks	Physical Risks	Opportunities
R1: Strengthening of regulations affecting existing products and services	R3: Increased severity of extreme weather events disrupting operations	O1: Growing demand for low-carbon and environmentally friendly warehousing facilities
R2: Decarbonization of the cement industry (impact on the Company's reputation)	R4: Operational disruptions	O2: Growing demand for low-carbon cement
	R5: Sea level rise	O3: Growing demand for high-strength cement
		O4: Growing demand driven by infrastructure development for the energy transition

Time Horizon of Climate Risks and Opportunities

Short-term (<3 yrs)	Medium-term (3–5 yrs)	Long-term (>5 yrs)
	R1, R2, O1	R3, R4, R5, O2, O3, O4

Material Climate-Related Risks and Opportunities and Response Strategies

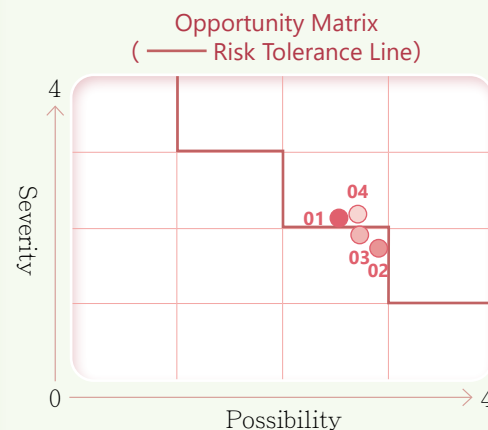
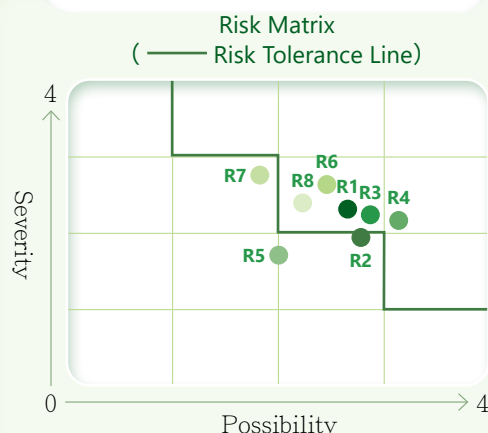
Risk Type	Risk Driver	Risk Description	Business Model / Value Chain Impact			Potential Financial Impact	Response Measures
			Up-stream	Own Operations	Down-stream		
Transition – Policy and Regulation	Strengthened regulation of carbon-intensive products and services	National carbon reduction targets and regulations may result in: - Increased carbon pricing, leading to higher operating costs. - Annual reductions in coal demand, affecting terminal utilization and revenue.	✓	✓	✓	Increased capital expenditures for equipment procurement and replacement, resulting in higher capital expenditures and reduced operating income.	- Established Science-Based Targets (SBT). - Implemented and certified the ISO 50001 Energy Management System in Taiwan. - Installed rooftop solar photovoltaic (PV) systems, with expected annual power generation exceeding 2.8 million kWh. - Diversified business portfolio through the development of new business opportunities and service offerings. - Expanded sales of low-carbon cement. - Monitored industry trends proactively and strengthened business development to increase terminal utilization. - Closely monitored regulatory and policy developments, promptly assessing potential impacts and implementing appropriate response measures.

Risk Type	Risk Driver	Risk Description	Business Model / Value Chain Impact			Potential Financial Impact	Response Measures
			Upstream	Own Operations	Downstream		
Physical – Acute Risk	Increased frequency and severity of extreme weather events	More frequent extreme weather events may disrupt construction projects, resulting in reduced cement shipments and interruptions to supply chain operations. Typhoons, flooding, prolonged heatwaves, and other extreme weather events may interrupt port operations, labor activities, and infrastructure construction, affecting terminal operations.	✓	✓	✓	Reduced operating income.	- Monitored domestic and international weather forecasts, hydrological data, and research reports to proactively assess changes in rainfall patterns and water levels. - Optimized inventory management and transportation scheduling to enhance operational flexibility. - Prioritized protective measures at coastal operating sites to strengthen loss prevention and operational resilience. - Transferred risks and mitigated potential losses through insurance coverage. - Enhanced operational resilience through business diversification.
Physical – Acute Risk	Disruptions to operational activities	Extreme weather conditions may affect customers' construction schedules, thereby reducing cement demand and shipments.	✓	✓	✓	Reduced operating income.	
Physical – Chronic Risk	Sea level rise	Rising sea levels may inundate port facilities, resulting in damage to existing assets and assets under development, reduced asset values, operational disruptions, and impairment of the value of cement and coal.	✓	✓	✓	Asset impairment, operational disruption, flooding losses, and inventory value impairment for cement and coal.	
Opportunity Type	Opportunity Factor	Opportunity Description	Business Model / Value Chain Impact			Potential Financial Impact	Response Measures
			Upstream	Own Operations	Downstream		
Products and Services	Low-carbon and environmentally friendly equipment	Provide low-carbon and environmentally friendly equipment and services, including renewable energy equipment, loading equipment with smart energy-saving control systems, and enhanced automation to improve operational efficiency and reduce operating costs.	✓	✓	✓	Increased operating income and capital expenditures.	- Implemented and certified the ISO 50001 Energy Management System in Taiwan. - Installed rooftop solar photovoltaic (PV) systems, with expected annual power generation exceeding 2.8 millions kWh. - Continued replacing aging loading equipment and upgrading loading facilities. - Established a low-carbon cement loading management system. - Replaced aging loading equipment with more energy-efficient alternatives to reduce energy consumption.



Hospitality Business

Climate Risk and Opportunity Matrix



Transition Risks	Physical Risks	Opportunities
R1: Strengthened Regulations on Existing Products and Services	R6: Increased Frequency of Extreme Weather Events	O1: Improved Building Energy Efficiency
R2: Shifts in Consumer Preferences	R7: Sea Level Rise	O2: Adoption of Low-carbon and Distributed Energy
R3: Investment in Low-carbon Technologies, Equipment, and Management	R8: Long-term Changes in Climate Patterns and Frequency (Changes in Precipitation Patterns and Rising Average Temperatures)	O3: Provision of Low-carbon Services
R4: Rising Raw Material and Energy Costs		O4: Transparent Disclosure of Sustainability-related Information
R5: Increased Stakeholder Scrutiny and Negative Feedback		

Time Horizon of Climate Risks and Opportunities

Short-term (<3 yrs)	Medium-term (3–5 yrs)	Long-term (>5 yrs)
R4, R5, R6, O2, O4	R2, O1, O3	R1, R3, R7, R8

Material Climate-Related Risks and Opportunities and Response Strategies

Risk Type	Risk Driver	Risk Description	Business Model / Value Chain Impact			Potential Financial Impact	Response Measures
			Up-stream	Own Operations	Down-stream		
Transition – Policy and Regulatory Risk	Existing regulations and service activities become more stringent.	Policy measures related to the low-carbon transition, carbon pricing mechanisms, carbon taxes, green electricity, green certificates, and other regulatory requirements may increase operating and capital expenditures.	✓	✓		Increased capital expenditures for equipment procurement and maintenance, resulting in higher operating costs.	- Procure high-efficiency, energy-saving equipment and facilities. - Replace lighting fixtures with energy-efficient alternatives to reduce electricity consumption. - Adopt VRV variable refrigerant volume air conditioning systems with automatic temperature control based on indoor conditions to optimize electricity usage. - Utilize rainwater harvesting systems to replace potable water for certain applications. - Install rainwater recycling and storage systems to increase self-supplied water resources. - Upgrade all lighting to LED fixtures, enabling adjustments based on actual operating conditions to enhance energy efficiency. - Install water-saving sanitary fixtures to improve daily water-use efficiency. - Strengthen internal inspections and awareness programs to enhance energy conservation awareness. - Establish an energy benchmark to comprehensively evaluate environmental performance, identify opportunities for energy efficiency improvements, and reduce overall energy consumption.
Transition – Technology Risk	Investment in low-carbon technologies and equipment management	Energy transition, renewable energy deployment, and changes in energy supply may result in increased costs.	✓	✓		Increased capital expenditures and operating costs.	Expand renewable energy initiatives through investments in the solar photovoltaic market.

Risk Type	Risk Driver	Risk Description	Business Model / Value Chain Impact			Potential Financial Impact	Response Measures
			Up-stream	Own Operations	Down-stream		
Transition – Market Risk	Rising raw material and energy prices	Rising raw material and energy prices may increase the costs of goods and services throughout the supply chain, resulting in higher operating costs.	✓	✓	✓	Increased operating costs.	- Establish near-term science-based targets (SBTs). - Strengthen energy management to improve energy efficiency.
Physical – Acute Risk	Increased frequency of extreme weather events	More frequent extreme weather events may reduce customers' willingness to travel, lower hotel occupancy rates, and result in decreased revenue.	✓	✓	✓	Reduced revenue.	- Develop emergency response plans for natural disasters, including typhoons and earthquakes, establish an emergency response framework, and conduct regular reviews and updates. - Conduct fire drills, emergency evacuation drills, and basic cardiopulmonary resuscitation (CPR) training to strengthen employee preparedness. - Monitor meteorological data, including typhoon tracks, rainfall, and water levels, to enable timely response measures. - Conduct regular training to enhance employees' emergency preparedness and response capabilities, while strengthening organizational resilience for post-disaster recovery. - Implement facility management systems to reduce resource consumption and improve operational efficiency. - Upgrade hotel facilities and provide a wider range of indoor recreational options to better meet changing guest preferences and enhance property attractiveness. - Maintain comprehensive property and casualty insurance coverage to mitigate financial losses arising from accidents and natural disasters.
Physical – Chronic Risk	Long-term climate change and extreme weather (e.g., changes in precipitation patterns and rising average temperatures)	Climate change may increase demand for air conditioning and refrigeration equipment in hotels and lead to higher consumer demand for bottled beverages. Guests may also spend more time indoors rather than engaging in outdoor activities, resulting in increased demand for indoor facilities.	✓	✓	✓	Increased operating costs and capital expenditures.	
Opportunity Type	Opportunity Factor	Opportunity Description	Business Model / Value Chain Impact			Potential Financial Impact	Response Measures
			Up-stream	Own Operations	Down-stream		
Resource Efficiency	Improving building energy efficiency	Improve the efficiency of energy, water, carbon, and waste resource utilization in buildings through smart facility management and real-time data analytics. These measures reduce resource consumption, lower operating costs, fulfill environmental responsibilities, enhance brand reputation, and strengthen corporate value.	✓	✓		Reduced operating costs and enhanced brand value.	- Strengthen energy management and continuously improve energy efficiency to reduce energy consumption during non-operating hours. - Have obtained LEED and WELL Building certifications to enhance brand image. - Adopt energy-efficient equipment to reduce electricity consumption. - Minimize the use of disposable amenities by replacing them with large-format bathroom dispensers. - Use environmentally friendly and sustainable materials for guest room amenities. - Introduce digital in-room guest information systems to reduce paper consumption. - Encourage consecutive-stay guests to reduce the frequency of linen replacement.
Products and Services	Enhancing transparency in sustainability disclosures	Publicly disclose sustainability and environmental information of interest to different stakeholder groups through diverse communication channels. This enhances corporate transparency and accountability, strengthens brand recognition and reputation, and increases investor and financial institution confidence.		✓	✓	Increased revenue and enhanced brand value.	- Communicate implementation progress to stakeholders through the corporate website, annual reports, shareholders' meetings, and investor conferences; demonstrate CHC's commitment to sustainability and environmental responsibility; and strengthen the brand's association with sustainability. - The validation of the Company's science-based targets (SBTs) further enhances its corporate reputation.

3.2.3 Climate Risk Scenario Analysis

In accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), CHC conducted climate risk scenario analysis to assess the potential impacts of increased frequency of extreme weather events and enhanced regulation of existing products and services.

1. Physical Risk Increased Frequency of Extreme Weather Events

CHC assessed the potential financial impacts associated with an increased frequency of extreme weather events, such as typhoons, floods, and heavy rainfall. Based on the assessment results, the Company develops and implements appropriate climate adaptation measures to effectively manage climate-related risks while enhancing its climate resilience and adaptive capacity.

Based on the IPCC Sixth Assessment Report (AR6)

Scenario Assumptions	Temperature Scenario	IPCC AR6 SSP5-8.5 (4.0°C Warming Scenario)
	Time Horizon	Short-term (<3 years), with 2026 as the assessment year
	Affected Value Chain	Upstream, Own Operations, and Downstream

Risk Issue	Operational Impact	Expected Financial Impact	Expected Management Cost	Management Cost as a Percentage of Estimated 2026 Revenue	Response Strategy
Increased Frequency of Extreme Weather Events	Extreme weather events, such as heavy rainfall, may reduce customers' willingness to travel, resulting in lower hotel occupancy rates.	Revenue is expected to decrease by approximately NT\$4.45 million, representing 0.55% of estimated revenue for 2026.	Maintaining existing operational management measures is expected to incur costs of approximately NT\$2.03 million, representing 0.25% of estimated revenue for 2026.	0.80%	Please refer to "Hospitality Business – Material Climate-Related Risks, Opportunities, and Response Strategies" for details.

2. Transition Risk Enhanced Regulation of Existing Products and Services

In response to national net-zero emissions targets, regulatory requirements may become more stringent, or customers may require the Company to provide low-carbon products, low-carbon packaging, and low-carbon distribution services, resulting in increased costs.

Based on the IPCC Sixth Assessment Report (AR6)

Scenario Assumptions	Temperature Scenario	IPCC AR6 SSP1-2.6 (1.5°C Warming Scenario), aligned with Taiwan's Nationally Determined Contribution (NDC) targets
	Time Horizon	Medium-term (3–5 years), with 2030 as the assessment year (Note 1)
	Affected Value Chain	Upstream, Own Operations, and Downstream

Risk Issue	Operational Impact	Expected Financial Impact	Expected Management Cost	Management Cost as a Percentage of Estimated 2026 Revenue (Note 2)	Response Strategy
Enhanced regulation of existing products and services	Government carbon management regulations require policy compliance.	Costs are expected to increase. Based on the 2030 carbon pricing scenarios, the estimated annual carbon fee is expected to range from NT\$690 thousand to NT\$7.70 million, representing approximately 0.007%–0.08% of estimated revenue.	To reduce carbon fee expenditures, investments have been made in energy-saving equipment and replacement measures. Total investments during 2024–2025 amounted to NT\$42 million, representing 0.439% of estimated revenue.	0.446%~0.519%	Please refer to "Cement and Warehousing Business – Material Climate-Related Risks, Opportunities, and Response Strategies" for details.

Notes 1: As external data availability is limited, projected data for 2028 could not be obtained. Therefore, the analysis is based on the 2030 scenario.

Notes 2: The calculation is based on both the SBT and BAU scenarios.



3.3

Environmental Management and Energy & Resource Efficiency

To implement the Board-approved environmental policy and achieve the associated environmental targets, CHC continuously promotes energy conservation, carbon reduction, and resource management initiatives through its Environmental Management System and Energy Management System. By integrating these initiatives into the day-to-day management

and continual improvement mechanisms across its operating sites, the Company seeks to minimize the environmental impacts of its operations and strengthen its operational resilience in addressing climate- and resource-related challenges.

3.3.1 Environmental and Energy Management Systems

Energy Management System and Environmental Management System

Since 2021, CHC Headquarters has implemented the ISO 50001 Energy Management System, followed by the implementation of the ISO 14001 Environmental Management System in 2022. These two systems have since been integrated into the Company's Environmental and Energy Management System. Chaired by the Chief Sustainability Officer, a cross-functional task force comprising the Sustainable Development Office and representatives from each operating site has been established to progressively expand the system across the CHC Group's operating sites in Taiwan.

In the fourth quarter of 2023, CHC completed its first third-party certification covering all six operating sites in Taiwan. In 2025, the Company continued to maintain the operation of its Environmental and Energy Management System across these six sites. External third-party audits were conducted, with CHC Headquarters (Chia Hsin Building), Gemcare Maternity Center – Dunhua Branch, and Keelung Port serving as representative operating sites for certification.

Environmental and Resource Management Program

To strengthen the implementation of its environmental management framework, CHC has established an Environmental and Resource Management Program covering energy, waste, and water resources in accordance with the ISO 50001 Energy Management System and ISO 14001 Environmental Management System frameworks. Through systematic management and continual improvement mechanisms, the Company seeks to minimize the environmental impacts of its operations.

① Energy Management Program

In accordance with the ISO 50001 Energy Management System framework, CHC has established an Energy Management Program encompassing planning, implementation, performance review, and continual improvement. Through a systematic management approach, the Company enhances energy efficiency while reducing the environmental impacts of its operations.

▼ Key management measures include

- **Energy Review and Performance Evaluation:** Conduct regular analyses of energy use and convene Energy Management Review meetings to evaluate energy performance and review improvement measures.
- **Management of Quantified Energy Performance Targets:** Establish energy-related key performance indicators (KPIs)

and continuously monitor implementation progress and performance.

- **Energy Conservation Initiatives:** Implement energy-saving projects, including lighting system upgrades, energy-efficient elevators, HVAC optimization, and the adoption of high-efficiency equipment.
- **Performance Evaluation of Energy Conservation Programs:** Assess the effectiveness of energy conservation initiatives through analyses of energy data and performance indicators, and drive continual improvement.
- **Assessment of Renewable Energy Adoption:** Evaluate renewable energy solutions, including solar power generation and green electricity procurement, to reduce carbon emissions.
- **Application of Energy-saving Technologies and Innovative Solutions:** Introduce smart energy management systems and high-efficiency energy-saving equipment in accordance with operational needs.
- **Employee Education and Training:** Conduct regular training programs on energy and environmental management to strengthen employees' awareness of energy conservation.

2 Waste Management Program

In accordance with the ISO 14001 Environmental Management System framework, CHC has established a Waste Management Program to systematically manage waste generated from its operations, minimize environmental impacts, and enhance resource use efficiency.

▼ Key management measures include

- Regular Waste Inventory and Assessment
- Waste Reduction, Segregation, and Resource Recycling
- Regular Waste Management Performance Evaluation
- Regulatory Compliance in Waste Management
- Employee Education and Training

3 Water Resource Management Program

In accordance with the ISO 14001 Environmental Management System framework, CHC has established a Water Resource Management Program to enhance water use efficiency and minimize the impacts of its operations on water resources.

▼ Key management measures include

- Regular Water Use Inventory and Assessment
- Management of Water Conservation Targets and Performance
- Water Conservation and Water Resource Recycling
- Monitoring of Water-related Regulations and Risks
- Employee Education and Training

3.3.2 Sustainable Buildings and Environmentally Friendly Design

As CHC develops new business ventures, the Company actively incorporates internationally recognized sustainable building certifications and green design principles. By integrating sustainability considerations into building design, construction, and operations, CHC enhances environmental quality and occupant well-being while fulfilling its commitment to environmental management and ecological stewardship.

By 2025, all of CHC's hospitality properties had obtained internationally recognized sustainable building certifications. In the second quarter of 2025, Chia Hsin Building, the Company's headquarters, was awarded the Green Building Label certification. As a result, revenue generated from sustainable buildings accounted for approximately 38% of the Company's total revenue.

Certification	LEED Green Building Certification	WELL Health-Safety Rating	EEWH Green Building and Building Energy-Efficiency Rating System
Certification Level	Certified (Hotel Collective) Gold (CHC Headquarters Office Floors)	Platinum	Existing Building Category Diamond Rating BERS Level 1+ Certification
Certified Properties and Expected Certification Year	Hotel Collective (2021) CHC Headquarters Office Floors (2026)	Gemcare Maternity Center – Dunhua(2020) Gemcare Maternity Center – Yangzhou(2022)	CHC Headquarters (2025)
Properties Expected to Apply for Certification	None	CHC Headquarters Office Floors Headquarters Building	None



3.3.3 Renewable Energy Development and Decarbonization Initiatives

To reduce operational carbon emissions and improve energy efficiency, CHC continues to evaluate renewable energy adoption opportunities. In addition to monitoring electricity consumption across its operating sites through its Environmental and Energy Management System and implementing energy-efficient equipment replacement projects, the Company is also actively planning the adoption of renewable energy solutions.

CHC has set a target of achieving carbon neutrality across its office locations by 2030. To support this goal, the Company will progressively implement solar photovoltaic (PV) and energy storage projects. The solar PV systems scheduled to commence operation in 2028 are expected to generate more than 2.8 million kWh of electricity annually, on average, thereby increasing the share of renewable energy in the Company's energy mix and reducing operational carbon emissions.

① Greenhouse Gas Inventory

To support the development of its greenhouse gas (GHG) reduction strategy, CHC completed a GHG inventory in 2023 using the consolidated financial statements as the organizational boundary and revised the organizational GHG inventory base year accordingly. In 2025, Scope 1, Scope 2, and Scope 3 GHG emissions amounted to 948.1995, 6,791.7466, and 1,983.8584 metric tons of CO₂e, respectively, resulting in total GHG emissions of 9,723.8045 metric tons of CO₂e.

Year	GHG Inventory Boundary	Third-party Verification	Verification Coverage
2022	All domestic and overseas operating sites	✓	100%
2023	All domestic and overseas operating sites	✓	100%
2024	All domestic and overseas operating sites	✓	100%
2025	All domestic and overseas operating sites	✓	100%

2 Low-carbon Transition Strategies and Action Plans

To achieve net-zero emissions, CHC has developed four key low-carbon transition strategies that integrate carbon management into its business strategy. The Company prioritizes reducing direct emissions from its operations (Scope 1) and indirect emissions from purchased energy (Scope 2) to advance its net-zero transition pathway and achieve its decarbonization goals.

Strategic Pillar	Energy Efficiency and Management Optimization	Refrigerant Management	Operational Fuel Management	Green Electricity Generation and Procurement
	32%	5%	5%	58%
Strategy	Replace aging equipment with poor energy efficiency across the Company and progressively expand the scope of replacement.	Replace high-global warming potential (GWP) refrigerants with low-GWP alternatives when refrigerant-containing equipment is replaced or recharged.	Reduce fuel consumption by managing natural gas use in kitchens, promoting kitchen electrification, and electrifying Company-owned official vehicles.	Beginning in 2028, implement the first phase of solar photovoltaic (PV) systems, progressively evaluate the installation potential at eligible operating sites, and explore opportunities for green electricity procurement to increase renewable electricity use.
2030 Action Plan	- Inventory carbon-intensive equipment. - Replace existing lighting with high-efficiency LED fixtures. - Install occupancy sensors for lighting control in office buildings.	- Inventory refrigerant types and refrigerant use. - Evaluate the feasibility of replacing high-GWP refrigerants.	Inventory and replace aging Company-owned official vehicles.	Launch the solar PV installation project.
2050 Action Plan	Cement and Warehousing - Replace warehouse lighting with high-efficiency LED fixtures. - Replace forklifts with high-efficiency electric forklifts. - Assess the feasibility of rooftop solar PV installation and install systems where appropriate. - Introduce an Energy Management System. Hospitality - Optimize operating schedules for inspection, lighting, and air-conditioning systems. - Introduce automatic control systems. - Optimize the water-saving design of guest room plumbing fixtures and hot water systems.	Hospitality - Replace aging, energy-intensive air-conditioning equipment. - Adopt low-GWP refrigerants. Corporate Headquarters - Replace equipment using high-GWP refrigerants. - Strengthen refrigerant management and leakage control.	Cement and Warehousing - Electrify warehouse forklifts. Hospitality - Electrify kitchen equipment. - Implement the ISO 50001 Energy Management System.	Corporate Headquarters - Complete the first-phase solar PV installation project, with annual power generation expected to exceed 2.8 million kWh beginning in 2028. - Evaluate opportunities for expanding installed PV capacity. - Increase green electricity procurement.



CHC will continue to actively reduce carbon emissions from its own operations by optimizing energy efficiency, strengthening energy equipment management, refrigerant management, and operational fuel management to minimize operational emissions. The Company will also invest in renewable energy facilities to increase the use of renewable energy. Furthermore, CHC will actively explore net-zero technologies and participate in carbon reduction projects to offset unavoidable emissions, demonstrating its commitment to supporting the transition to a low-carbon economy.

Looking ahead, CHC also plans to evaluate the adoption of an internal carbon pricing mechanism to incorporate carbon emissions into future cost-benefit analyses, improve energy efficiency, and strengthen internal decarbonization initiatives.

Environmental Management Expenditures and Investments

To ensure the effective implementation of its environmental management system, CHC continues to invest in environmental protection and energy efficiency initiatives, including energy efficiency improvements, the maintenance of pollution prevention and control equipment, renewable energy adoption, and the operation of its environmental management system. These expenditures are primarily directed toward enhancing energy efficiency, minimizing the environmental impacts of the Company's operations, and strengthening its overall environmental management capabilities.

In 2025, capital investments related to environmental management totaled NT\$133,965,000, primarily attributable to the headquarters office renovation undertaken with the goal of obtaining LEED and WELL international building certifications. The project focuses on enhancing energy efficiency, indoor environmental quality, and employee health and well-being through optimized space planning, equipment upgrades, and environmental quality improvements. These investments are intended to strengthen the sustainability performance of the operating premises and establish a solid foundation for obtaining the relevant international certifications. Environmental management expenditures over the past four years are summarized below.

Year	2022	2023	2024	2025
Total Expenditures (NT\$)	1,720,000	8,270,000	7,605,000	133,965,000

During the reporting year, the Company did not incur any significant environmental pollution incidents or material fines for violations of environmental laws and regulations.

Note: A significant environmental loss is defined as a single incident resulting in losses exceeding NT\$300,000.

Environmental Training

In 2025, CHC conducted one internal environmental training session, with a total training duration of 2 hours and 38 participants. Attendance by members of the Environmental Management Task Force reached 100%.

3.3.4 GHG Emissions and Environmental Performance Indicators

Scope	Category	Item	2022	2023	2024	2025
Scope 1	Category 1	Carbon emissions (t-CO ₂ e)	834.8502	972.7627	952.4150	948.1995
		Carbon emissions per capita (t-CO ₂ e / person)	1.88	2.32	2.25	2.23
		Carbon emissions per unit of revenue (t-CO ₂ e / NT\$M)	0.37	0.33	0.32	0.31
Scope 2 (Location-based)	Category 2	Carbon emissions (t-CO ₂ e)	6,807.5636	7,015.3239	6,824.9074	6,791.7466
		Carbon emissions per capita (t-CO ₂ e / person)	15.33	16.70	16.10	15.94
		Carbon emissions per unit of revenue (t-CO ₂ e / NT\$M)	3.02	2.41	2.29	2.25
Total for Scope 1 and Scope 2		Carbon emissions (t-CO ₂ e)	7,642.4138	7,988.0866	7,777.3224	7,739.9461
Scope 3	Category 3	Carbon emissions (t-CO ₂ e)	103.1232	369.1500	373.4576	279.8614
		Carbon emissions per unit of revenue (t-CO ₂ e / NT\$M)	0.05	0.13	0.13	0.09
	Category 4	Carbon emissions (t-CO ₂ e)	1,187.4955	1,506.9443	1,613.9833	1,570.0188
		Carbon emissions per unit of revenue (t-CO ₂ e / NT\$M)	0.53	0.52	0.54	0.52
	Category 5	Carbon emissions (t-CO ₂ e)	666.0776	620.0883	569.7083	133.9782
		Carbon emissions per unit of revenue (t-CO ₂ e / NT\$M)	0.30	0.21	0.19	0.04
	Category 6	Carbon emissions (t-CO ₂ e)	-	-	-	-
	Total for Scope 3 (t-CO ₂ e)			1,956.6963	2,496.1826	2,557.1492

Note 1: Greenhouse gas (GHG) emissions are inventoried using the operational control approach. Emissions are calculated using the formula: Activity Data × Emission Factor × Global Warming Potential (GWP). To comply with the requirements of the Financial Supervisory Commission (FSC), the GWP values adopted in this table are based on the IPCC Sixth Assessment Report (AR6).

Note 2: GHG emissions for each operating site are calculated using the country-specific emission factors applicable to the country in which the site operates.

Environmental Indicators		2022	2023	2024	2025	Notes
Electricity	Total consumption(MWh)	11,771.51	12,053.27	12,321.21	12,163.81	
	Total consumption(GJ)	42,377.40	43,391.74	44,356.31	43,789.68	1 GJ = 0.277778 MWh
	Energy consumption per capita	95.44	103.31	104.61	102.79	
	Energy consumption per unit of revenue(GJ/NT\$ million)	18.80	14.90	14.86	14.52	
Energy (including electricity, natural gas, and gas consumption)	Total consumption(MWh)				14,643.87	Energy conversion factors are based on the Energy Product Calorific Value Tables published by the Bureau of Energy, Ministry of Economic Affairs (Taiwan), the Ministry of Economy, Trade and Industry (Japan), and Okinawa Gas. Disclosure of these conversion factors commenced in 2025.
	Total consumption(GJ)				52,717.89	1 GJ = 0.277778 MWh
	Energy consumption per capita				123.75	
	Energy consumption per unit of revenue(G J/NT\$ million)				17.49	
	Renewable Energy Consumption	-	-	-	-	The use of renewable energy has not yet commenced.
Water	Total water consumption (ton)	147,492	239,363	186,684	141,770	Water consumption data for Hotel Collective were retrospectively incorporated, resulting in the restatement of water consumption data for 2023–2024. The restatement had no material impact on the overall trend.
Waste	Total waste generated (ton)	344.65	377.83	414.48	404.91	Waste generation data for all reporting years include waste generated by tenants of the Chia Hsin Building.
	Total waste recycled (ton)	4.80	82.04	73.40	82.36	Hotel Collective achieved a waste recycling rate of 33.6%
Number of employees		444	420	424	426	
Revenues (NT\$M)		2,254	2,912	2,985	3,015	

04

Innovation and People-Centered Sustainability

4.1 Inclusion	57
4.2 Well-being	72
4.3 Co-learning	91



Remain committed to a people-oriented philosophy and continuously expand our positive social impact.

- Bring our core value of "Innovating with People, Building the Future Together" to life.
- Foster an inclusive, intergenerational, and age-friendly culture.
- Empower young people through care and meaningful action.

PURSUING QUALITY OF LIFE



Strategy

Drive business competitiveness and create social impact by embedding sustainability into business operations while advancing a just transition.

Business Competitiveness

Social Impact

04 Innovation and People-Centered Sustainability

4.1 Inclusion

2025 Key Activities and Achievements

Awards and Recognition

HR Asia Best Companies to Work for in Asia	First Awarded in 2025
Parenting Friendly Enterprise Award, Taipei City Government	First Awarded in 2025
Age-Generations Top 100 Companies, Business Weekly	First Awarded in 2025
CommonWealth Sustainability Citizen Award	4 Consecutive Year (2025)
CommonWealth Talent Sustainability Award	3 Consecutive Years (2025)
Family-Friendly Workplace Award, Parenting Magazine	2 Consecutive Years (2025)
TALENT, in Taiwan Talent Sustainability Initiative	Continuous participation since 2022

Completed Initiatives

Optimization of the Attendance Management Policy	Completed in November 2025
Optimization of the Business Travel Management Regulations	Completed in November 2025
Optimization of the Employee Profit-sharing Distribution Regulations	Completed in December 2025
Group-wide Employee Stock Ownership Trust (ESOT) Plan	Launched at Chia Hsin Cement Corp. in February 2024, and expanded to affiliated companies in August 2025.

Ongoing Initiatives

Participation in Market Compensation Surveys	Continuous participation in two external market compensation surveys annually since 2022
CEO's Afternoon Tea	Implemented since 2022
Official Instagram Account	Launched in December 2023
Official LINE@ Recruitment Channel	Launched in January 2024

Regular Activities

Employee Sharing Sessions	Twice annually
Employee Satisfaction Survey	Annually
P&C Business Partner 1-on-1 Interviews	Annually

✓ Framework Overview

Pillar	Strategy	Key Actions
Optimize Every Aspect	Workforce structure and diversity	Optimize workforce allocation and foster organizational diversity by embracing differences in gender, age, nationality, and other backgrounds. Conduct regular workforce structure analyses to ensure diversity and inclusion in organizational development.
Value Every Contribution	Pay equity and fairness mechanisms	Establish fair and transparent compensation and performance evaluation systems to ensure employees, regardless of gender, background, or job function, receive consistent and equitable compensation.
Listen to Every Voice	Employee feedback and participation	Gather employee feedback through employee satisfaction surveys, CEO's Afternoon Tea, employee sharing sessions, labor-management meetings, and the P&C Business Partner mechanism. Employee opinions are collected through these diverse communication channels, responded to in a timely manner, and followed by appropriate improvements. Regular management meetings are also held to ensure that employee feedback receives due attention and is translated into concrete actions, thereby continuously improving the work environment and management mechanisms.
Develop Every Talent	Talent Attraction and Long-term Retention	Support new employees through a new employee buddy system and a structured onboarding journey to facilitate a smooth transition into the workplace and shorten the adjustment period. The Company also actively strengthens its employer brand through campus activities, corporate social media engagement, and talent exchange and collaboration, attracting and retaining outstanding talent while ensuring the organization's long-term competitiveness.



4.1.1 Optimize Every Stage – Workforce Structure and Diversity

As CHC continues to expand its business operations, the Company actively creates stable employment opportunities across its operating sites. To support the growth of new business ventures and workforce expansion, CHC adjusts its human resource allocation in accordance with the operational characteristics and workforce needs of each location, ensuring efficient organizational operations and effective talent deployment.

The Company also conducts regular workforce analyses to monitor workforce composition and emerging trends, while continuously strengthening workforce diversity across both internal and external talent pools. By embracing diversity in gender, age, nationality, and other backgrounds, CHC is committed to fostering a diverse and inclusive workplace.

1 Workforce Composition

GRI 2-7、2-8

CHC is committed to providing a stable and rewarding workplace. In 2025, the Company employed a total of 426 employees, of whom 93.19% were full-time employees, reflecting its commitment to long-term employment stability and talent development. During the year, 84 new employees joined the Company, representing 19.72% of the total workforce and bringing new talent and momentum to the organization.

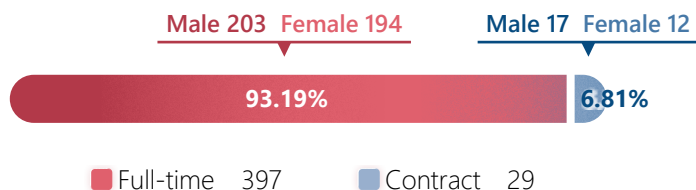
CHC maintains a stable and diverse workforce composition. Employees aged 51 and above accounted for 32.16% of the workforce, contributing extensive professional knowledge and technical expertise while facilitating knowledge transfer and intergenerational collaboration. In terms of gender diversity, the male-to-female employee ratio was 1.07:1, demonstrating a balanced workforce composition. In addition, women represented 39.82% of management positions, reflecting the Company's tangible achievements in promoting gender equality and developing female leadership.

By fostering a workplace that embraces generational and gender diversity, CHC continues to advance sustainable talent development, strengthen organizational resilience and innovation, and cultivate a corporate culture that balances the value of experience with a forward-looking spirit of innovation.

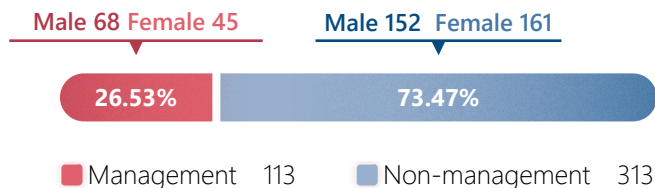




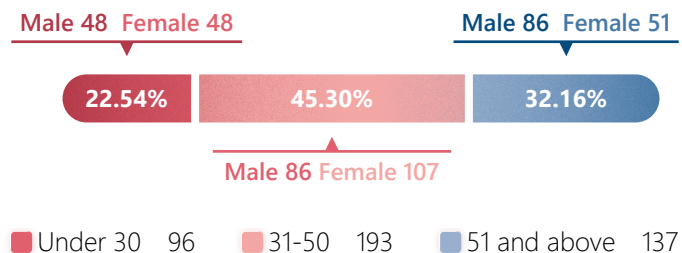
Employment Type



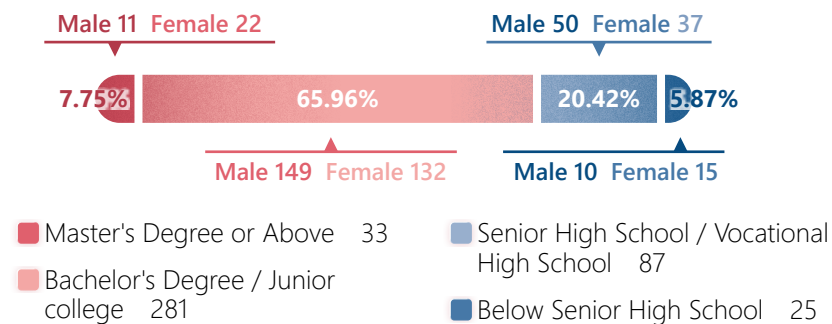
Position Level



Age Group



Education Background



Note:

* At the Company's headquarters (Chia Hsin Building), non-employee workers primarily comprised security personnel, cleaning staff, and on-site HVAC technicians, totaling 17 individuals. The number remained generally stable compared with the previous year.

* The Company had no employees without guaranteed hours during the reporting year.

* Employee data presented above are based on employees in service as of December 31, 2025.

Workforce Distribution by Region

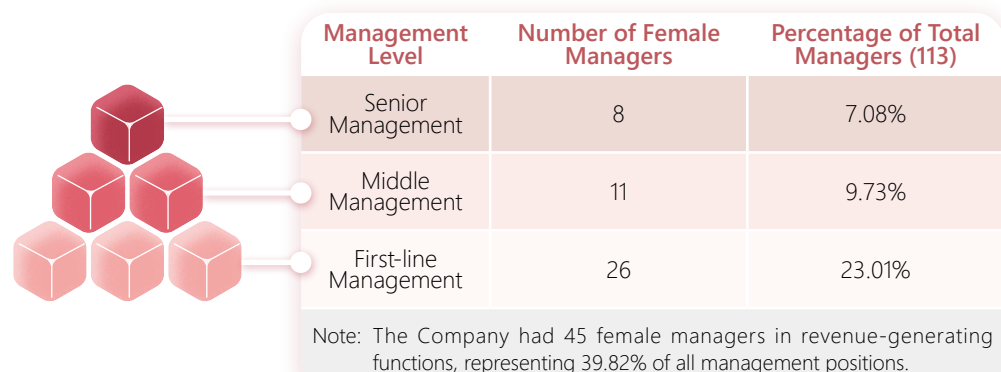
Region	Employment Type	Male	Female	Total	Percentage of Total Employees
Taiwan	Full-time	92	111	203	
	Contract	2	0	2	
Japan	Full-time	93	61	154	
	Contract	10	1	11	
China	Full-time	18	22	40	13.15%
	Contract	5	11	16	

Workforce Distribution by Age Group and Management Level

Gender	Male			Female		
Age Group	Under 30	31-50	51 and above	Under 30	31-50	51 and above
Senior Management	0	2	10	0	0	8
Middle Management	0	4	13	0	4	7
First-line Management	1	16	22	3	13	10
Non-management	47	64	41	45	90	26
Subtotal	48	86	86	48	107	51
Percentage of Total Employees	11.27%	20.19%	20.19%	11.27%	25.11%	11.97%
Total	220			206		

Note: Senior management refers to employees at the Director level and above, or equivalent positions; middle management refers to employees at the Manager level and above, or equivalent positions; and first-line management refers to employees at the Section Chief level and above, or equivalent positions.

Female Representation in Management



2 Diverse Hiring Policy

Nationality	Number of Employees	Percentage of Total Workforce	Number of Managers	Percentage of Total Managers
Taiwan	212	49.77%	59	52.21%
Japan	146	34.27%	37	32.74%
China	51	11.97%	15	13.27%
Nepal	13	3.05%	1	0.89%
Canada	1	0.23%	1	0.89%
Others	3	0.70%	0	0.00%
Total	426	100.00%	113	100.00%

3 Continued Employment of Persons with Disabilities

In accordance with Article 38 of Taiwan's People with Disabilities Rights Protection Act, enterprises are required to employ persons with disabilities who are capable of working at a level of no less than 1% of their total workforce, with a minimum of one employee. As of 2025, Chia Hsin Cement Corporation employed one employee with a moderate disability among its workforce of 87 employees, in compliance with the statutory requirement.

CHC is committed to fostering a diverse and inclusive workplace by providing equal employment opportunities for all. The Company continues to support employees with disabilities through appropriate job accommodations and workplace support measures, including accessible workplace design, enabling them to fully utilize their skills and capabilities while supporting their career development.

4.1.2 Value Every Contribution – Pay Equity and Compensation Mechanism

1 Fair Pay and Compensation Policy

CHC is committed to sharing business success with its employees by attracting, retaining, developing, and motivating outstanding talent through a diversified and competitive compensation system. The starting salaries of all new employees exceed the statutory minimum wage. Individual compensation is determined based on job responsibilities, academic and professional qualifications, and professional competencies. In addition, year-end bonuses are awarded based on individual performance. Compensation decisions are made without discrimination on the basis of race, social status, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, pregnancy, appearance, facial features, disability, zodiac sign, blood type, or any other protected characteristic.

Compensation levels are determined according to the nature of each position and its professional requirements. Accordingly, differences in average compensation between male and female employees primarily reflect variations in job functions, position levels, and professional experience, rather than gender.

To maintain workforce stability and retain outstanding talent, CHC conducts annual salary reviews based on changes in the consumer price index (CPI) and individual performance. The Company also participates in annual compensation surveys conducted by two independent third-party organizations to benchmark market compensation levels, enabling appropriate salary

adjustments and compensation planning. In addition, exceptional performers may receive special salary adjustments to ensure that the Company's compensation remains competitive in the market.

As part of its long-term incentive program, CHC launched an Employee Stock Ownership Trust (ESOT) in February 2024. Employees contribute a fixed monthly amount in accordance with the Trust's regulations, while the Company provides a 100% matching contribution to help employees build long-term share ownership. As of December 2025, the participation rate in the ESOT reached 91.43%. Beginning in August 2025, the Company further enhanced the ESOT program by expanding its coverage across the Group, enabling more employees to benefit from the Company's long-term commitment to employee financial security.

Remuneration Policy for the Highest Governance Body and Senior Executives

GRI 2-19

1 Fixed and Variable Remuneration

Fixed pay is governed by the Employee Compensation Management Regulations and the Remuneration Regulations for Directors and Managers.

Variable pay is determined in accordance with the Regulations Governing Year-end Bonus Distribution and the Employee Profit-sharing Distribution Regulations.

2 Sign-on Bonuses or Recruitment Incentives

Sign-on bonuses: None. However, individually approved contractual benefits may be granted, such as a guaranteed annual salary and enhanced annual leave entitlements.

Recruitment incentives are provided under the Employee Referral Incentive Program.

3 Termination Payments

1. Severance benefits are provided in accordance with the Labor Standards Act and the Labor Pension Act.
2. The Employee Welfare Committee provides gratuity payments to retiring employees.
3. No additional severance payment policy applies specifically to the highest governance body or senior executives beyond that applicable to other employees.

4 Clawbacks

1. The clawback mechanism is implemented under the Company's Performance Evaluation Regulations and reflected in the distribution of year-end bonuses and employee profit sharing.
2. No remuneration clawback mechanism applies specifically to the highest governance body or senior executives beyond that applicable to other employees.

5 Retirement Benefits

1. Retirement benefits are provided in compliance with applicable laws and regulations and the Company's Retirement Regulations for Directors and Appointed Managers.
2. The Employee Welfare Committee provides gratuity payments to retiring employees.
3. No retirement benefit policy applies specifically to the highest governance body or senior executives beyond that applicable to other employees.

Alignment of Remuneration Policies with the Organization's Economic, Environmental, and People Impact Objectives

GRI 2-19

1. Performance Objective Setting: The Chairperson, with the support of the President, establishes the Company's operational objectives to strengthen and implement its sustainability development and risk management strategies. These objectives are cascaded throughout all organizational levels and implemented by employees according to their respective responsibilities. The achievement of these objectives, together with position weighting and business performance factors, serves as the basis for evaluating the performance of the highest governance body and senior executives, ensuring the achievement of their annual performance objectives.
2. Compensation Policy: Compensation policies and remuneration standards are established with reference to market compensation benchmarks, while taking into account the overall economic environment, the Company's operating performance, and its financial condition.
3. Year-end Bonuses and Employee Remuneration: Year-end bonuses and employee remuneration are determined with reference to the Company's operating performance and individual performance evaluations.
4. Annual Salary Adjustments: Annual salary adjustments are made with reference to changes in the Consumer Price Index (CPI), individual performance, and the Company's operating performance and financial condition.

Remuneration Determination Process

GRI 2-20

Remuneration Framework and Policy Development

1. A Remuneration Committee is established to oversee the compensation determination process.
2. Year-end bonuses are provisioned monthly, with a final allocation plan proposed after the fiscal year-end. This is reviewed by the Remuneration Committee and approved by the Board of Directors.

Labor-Management Meetings

Significant compensation policies and the remuneration determination process are reviewed through labor-management meetings prior to implementation.

Market Remuneration Benchmarking

External consultants are engaged to support domestic and international market remuneration benchmarking and remuneration framework design.

Annual Total Compensation Ratio

GRI 2-21

The ratios were calculated in accordance with the Company's Remuneration Regulations for Directors and Managers, Employee Compensation Management Regulations, Year-end Bonus Distribution Regulations, and Employee Profit-sharing Distribution Regulations, and are expressed relative to the median annual total compensation of all other full-time employees.

- Ratio of the annual total compensation of the highest-paid individual to the median annual total compensation for all other employees (excluding the highest-paid individual) **19.36 : 1**
- Ratio of the percentage increase in annual total compensation for the highest-paid individual to the median percentage increase in annual total compensation for all other employees (excluding the highest-paid individual) **2.38 : 1**

For details on employee compensation, please refer to Section 5.4, Workforce Statistics.



Linking Senior Executive Remuneration to ESG Performance

CHC integrates sustainability management into the annual performance objectives of its management team, reinforcing governance accountability through a top-down approach.

1. Integration and Oversight of ESG Targets:

In 2025, guided by the Company's Sustainability Development Blueprint, the dedicated sustainability function coordinated ESG targets across all functional task forces and incorporated them into the management priorities of the executive team. The key focus areas included:

- ① Environmental Management: Implement SBTi carbon reduction initiatives and promote ISO certification for energy and environmental management systems.
- ② Social Engagement: Foster a caring and inclusive workplace, strengthen professional development and training programs, and expand partnerships that support the Company's sustainability strategy.
- ③ Governance and Disclosure: Enhance climate-related financial risk assessments in alignment with the TCFD and IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2), revise supplier management policies, promote greater diversity on the Board of Directors, and continuously improve the quality of sustainability-related disclosures.

2. Linking Remuneration to Performance:

In accordance with the Remuneration Regulations for Directors and Managers, the variable remuneration of senior executives is closely linked to the achievement of annual performance objectives. The achievement of ESG performance targets has been fully integrated into the overall performance evaluation framework, with weighting assigned according to each executive's scope of responsibilities. ESG-related performance accounts for no less than 5% of the overall evaluation and serves as a key consideration in remuneration adjustments.

3. Robust Review and Approval Process:

The variable remuneration of senior executives is reviewed by the Remuneration Committee and subsequently submitted to the Board of Directors for approval, ensuring that management remuneration remains closely aligned with the Company's long-term sustainable value creation.

2 Performance Evaluation and Development

CHC is committed to establishing a performance management system aligned with its sustainability strategy. Through a comprehensive performance evaluation framework, the Company ensures that employees' individual objectives are closely aligned with its strategic development priorities. In 2025, 100% of eligible employees completed performance evaluations, excluding newly hired employees who had not yet completed their three-month probationary period.

Performance Evaluation Framework

1 Goal Setting (Conducted Annually)



Using the OGSM framework, CHC translates the Company's annual strategic priorities into annual performance objectives at both the departmental and individual levels. Employees are comprehensively evaluated across four key dimensions: Annual Performance Objectives, Core Competencies, Professional/Managerial Competencies, and Individual Development Plans (IDPs).

2 Agile Conversations (Real-time Feedback)



CHC has adopted the Situational Leadership® model, under which managers serve as coaches to lead their teams by adapting their leadership style according to employees' competence and commitment. Through timely feedback and obstacle removal, the Company enhances organizational agility and supports employees' continuous development.

3 Multi-dimensional Performance Evaluation (Conducted Annually)



For cross-functional projects, CHC adopts a three-stage evaluation process comprising employee self-assessment, an initial evaluation by the project supervisor, and a final review by the next-level supervisor. This approach ensures that cross-functional contributions are assessed objectively while enhancing the comprehensiveness and fairness of the evaluation process.

4 Team Performance Evaluation (Conducted Annually)



Guided by its culture of shared success, CHC complements individual performance management with team performance evaluations. Departmental performance is assessed directly by the Chairperson and the President. In addition to evaluating the achievement of each department's annual performance objectives, the assessment incorporates six key

evaluation criteria to provide a comprehensive review of overall departmental performance. This approach promotes cross-departmental collaboration, resource integration, and coordination, transforming the Company's culture of shared success into organizational synergies that deliver results greater than the sum of individual contributions.

4.1.3 Listening to Every Voice – Employee Feedback and Participation

✓ Intergenerational Inclusion: Fostering Dialogue Through Diverse Channels and Institutionalizing Feedback Mechanisms

2025 Communication Channels	CEO's Afternoon Tea <Once>
	Employee Satisfaction Survey <Once>
	Employee Sharing Sessions <Twice>
	P&C Business Partner (P&C BP) 1-on-1 Meetings <Once>
	Labor-Management Meetings <4 times>
	Dedicated Email Inbox and Hotline of the Head of People and Culture Division <Available year-round>

CHC believes that listening is the foundation of a positive employee experience. To foster open communication, the Company has established a diverse range of communication channels that provide employees with meaningful opportunities to express their views. These include informal CEO's Afternoon Tea sessions, anonymous employee satisfaction surveys, employee sharing sessions that facilitate communication across the Group, one-on-one meetings between employees and P&C Business Partner (P&C BP), regular labor-management meetings, and year-round feedback channels through the Head of People & Culture. These channels enable employees to voice their opinions openly and confidently in different settings. Through these mechanisms, CHC continuously gathers employee feedback, responds to expectations, and translates insights into concrete actions, fostering the mutual growth of both the Company and its employees.

Employee Satisfaction Survey: Deepening Engagement to Build an Exceptional Workplace

Survey Dimensions

CHC regards employee feedback as a cornerstone of continuous management improvement. The Company conducts an annual Employee Satisfaction Survey to better understand employees' workplace experience. In 2025, the survey assessed eight key dimensions—Compensation, Leadership, Development, Collaboration, Work, Culture, Advocacy, and Sustainability—providing a comprehensive evaluation of the employee experience and enabling the Company to identify the key factors influencing employee engagement with greater precision.

Employee Engagement

Key Commitment

Commitment to Effort:

Inspiring employees to demonstrate passion for their work and proactively contribute their best efforts.

Sense of Belonging:

Strengthening employees' pride in the Company and increasing their willingness to recommend CHC as a great place to work (eNPS).

1 Compensation

Compensation and Rewards

Enhance employee benefits, reward programs, and profit-sharing mechanisms (such as performance bonuses) to strengthen employees' overall sense of value and recognition.

2 Leadership

Leadership and Empowerment

Strengthen managers' professional coaching and change leadership capabilities, while aligning team goals through clear and constructive feedback.

3 Development

Career Development

Establish a structured professional training system and fair, transparent performance evaluation standards to empower employees' career development.

4 Collaboration

Team Collaboration

Assess the quality of information sharing and mutual support among colleagues to foster a collaborative and high-performing team environment.

5 Work

Work-Life Balance

Provide competitive leave management practices and workplace facilities, while offering an Employee Assistance Program (EAP) to support employees' well-being and resilience.

6 Culture

Corporate Culture

Foster a culture of Diversity, Equity, and Inclusion (DEI), ensuring equal development opportunities for employees from diverse backgrounds and cultivating a workplace founded on integrity, ethics, and innovation.

7 Advocacy

Organizational Communication

Maintain diverse and open communication channels, encourage the exchange of different perspectives, and strengthen employees' understanding of the Company's long-term mission and vision.

8 Sustainability

Sustainability Responsibility

Promote transparent corporate governance while advancing environmental stewardship and social responsibility, strengthening employees' identification with the Company's sustainability commitments.



Survey Results and Participation

The results of the 2025 Employee Satisfaction Survey demonstrated a continued improvement in employee engagement. The survey achieved a participation rate of 71.52%, representing an increase of 2.44 percentage points compared with 2024. Among respondents, 79.37% gave positive ratings (4 or above on a 6-point scale) for the Employee Engagement Index, exceeding the Company's annual target of 75%. The results reflect employees' continued recognition of the Company's organizational practices and workplace environment.

Improvement Action Plan

To ensure that every piece of employee feedback drives meaningful improvements, CHC incorporates the results of its Employee Satisfaction Survey, together with feedback collected through various communication channels, into monthly management meetings for discussion and review. This approach ensures that employees' voices are heard directly by management. Relevant recommendations are assigned to the appropriate departments for follow-up and implementation, serving not only as key inputs for annual goal setting and the enhancement of employee welfare programs, but also as important references for refining management practices and optimizing action plans. Through this continuous improvement cycle, CHC translates employee feedback into tangible actions, fostering the ongoing enhancement of its organizational culture.

Employee Satisfaction Survey Improvement Action Plan: Key Initiatives	2025 Employee Focus Area: Leadership	2025 Employee Focus Area: Collaboration
	● Action Plan: Leadership Development Program for Managers ● Program Details: ① Collaborative Learning Book Club Through designated learning courses, participants engage in shared learning and in-depth discussions to promote management dialogue among peers and facilitate the sharing and continuity of management knowledge across the organization. ② Situational Leadership Training Situational leadership tools are introduced and integrated with practical management scenarios and action-planning exercises. This approach translates situational leadership theories into practical management tools, ensuring that learning outcomes are effectively applied in day-to-day management. (See Section 4.3.3 for details.)	● Action Plan: Collaborative Culture Development Program ● Program Details: ① Competency Model and Core Competency Development Through initiatives such as the Reading Elf Program, core competency assessments, and Employee Assistance Program (EAP) training courses, employees are encouraged to internalize competency requirements and translate them into consistent workplace behaviors. ② "Eyes of the Amazon" Experiential Course Through face-to-face reflection and exchange, the course strengthens psychological safety and cross-functional collaboration, translating corporate culture into robust workforce resilience. (See Section 4.3.4 for details.)

Employee Lifecycle Experience: Fostering a Culture of Listening and Continuous Improvement

■ Onboarding Experience – Probationary Employee Satisfaction Survey:

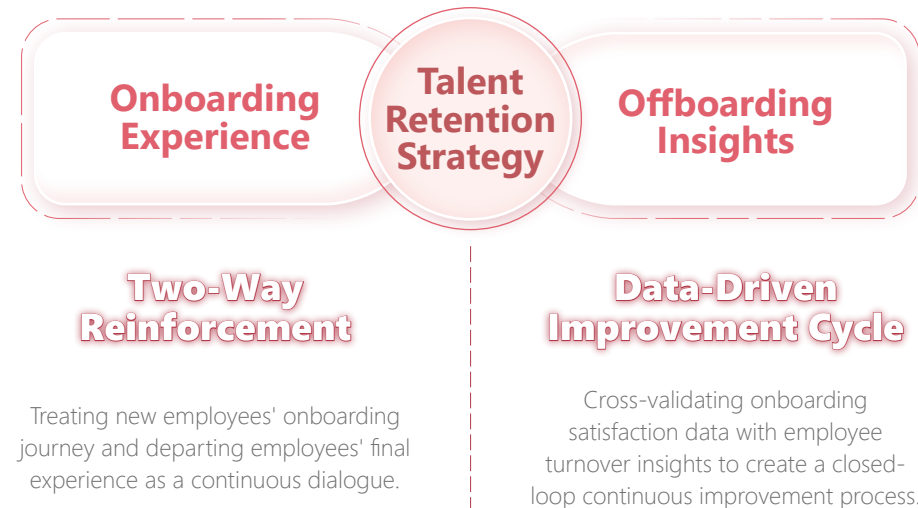
Through probationary employee satisfaction surveys, CHC conducts an early organizational health check for new hires, proactively listening to their needs and ensuring a smooth transition during the initial stage of their careers. This approach helps employees progress from adaptation to a genuine sense of belonging.

■ Offboarding Insights – Departing Employee Survey:

Through a structured Departing Employee Survey, complemented by exit interviews, CHC gains deeper insights into the underlying causes of employee turnover and transforms departing employees' candid feedback into valuable input for organizational improvement. Survey findings are further cross-analyzed with employee satisfaction data to validate turnover drivers, identify management pain points, and implement targeted improvement measures, thereby strengthening talent retention and organizational resilience.

Employee Lifecycle Experience and Talent Retention Strategy

A Dual-Driven Model Integrating Onboarding and Offboarding Insights





4.1.4 Develop Every Talent – Talent Attraction and Long-term Retention

CHC embraces a workplace culture that values autonomy and flexibility, striving to create a dynamic environment where talent can thrive. Guided by a culture of inclusion, shared success, and continuous learning, we empower every employee to realize their full potential while fostering a workplace where people choose to build long-term careers, grow together, and create sustainable value.

Cross-functional Connections and Engagement: Creating an Onboarding Journey with Flexibility and Psychological Safety

Comprehensive Support for New Employees

- **Department Buddy and Cross-functional Buddy |**

Guides to Professional Growth and Organizational Culture:

During the first three months of employment, each new hire is supported by two experienced buddies who help them adapt to the workplace, build cross-functional networks, and foster meaningful connections through informal interactions that break down organizational barriers.

- **P&C Business Partner (P&C BP) |**

A Trusted Partner in Career Development:

P&C Business Partner (P&C BP) provide professional guidance tailored to each employee's individual pace of development. Through comprehensive career consultation and ongoing support, they help new hires navigate their career journey with confidence and ease the challenges of the onboarding process.

Diversity and Inclusion Initiatives: Breaking Down Barriers Through Meaningful Engagement

- **Two-way Dialogue Platforms |**

Group-wide Engagement Activities:

Through direct dialogue with senior management (see Section 4.1.3 Communication Channels), knowledge sharing among colleagues (see Section 4.3.4 Training and Development Programs), and immersive engagement activities organized by the Employee Welfare Committee, such as escape room experiences, CHC fosters a transparent, dynamic communication culture. These initiatives encourage collaboration, break down organizational barriers, and ensure that every employee's voice is heard.

- **Communities That Foster Connection |**

Seasonal and Festive Engagement Activities:

Through a variety of seasonal and festive activities, CHC encourages interaction across departments and strengthens interpersonal connections. These initiatives transform the workplace into a community where employees feel a genuine sense of belonging, making the onboarding experience a journey of exploration and connection.

Cultivating a Supportive Environment for Growth and a Lasting Sense of Belonging

1 Boundless Career Pathways

CHC's diversified business portfolio provides employees with multidimensional career exploration opportunities. Cross-functional and cross-sector mobility enables employees to overcome development barriers and pursue career growth without conventional boundaries.

2 Work-Life Balance

CHC provides comprehensive physical and mental well-being support, flexible working hours, remote collaboration arrangements, and other measures to foster a flexible, supportive, and sustainable workplace.

3 Co-creating Value Through Engagement

Employees are encouraged to participate actively in corporate development through sustainability task forces, project teams, volunteer services, and other channels, aligning their individual impact with the Company's vision of shared success.

4 Skills Enhancement and Continuous Learning

CHC provides digital learning platforms, leadership development programs, and subsidies for external training. These resources systematically strengthen employees' critical competencies and support the mutual growth of individuals and the organization.

Employer Branding: Online and Offline Engagement

- **Campus Engagement and Cross-sector Dialogue:** Moving beyond traditional campus recruitment, CHC works closely with university departments and faculty members through corporate information sessions, classroom lectures, and 1-on-1 career conversations. These initiatives communicate the Company's transformation vision while connecting with high-potential emerging talent.
- **Multi-platform Recruitment to Reaching Diverse Talent:** CHC actively participates in career fairs organized by leading recruitment platforms, including Yourator and 104 Job Bank, showcasing the unique career opportunities created by its diversified business portfolio to Gen Z talent and professionals from diverse disciplines.
- **Social Media Engagement:** Official Recruitment Accounts on Instagram and LINE@
 - ✓ **Life at CHC:** Share authentic glimpses of daily office life and team interactions to showcase the Company's culture and connect with like-minded talent.
 - ✓ **Real-time, Direct Engagement:** Enable seamless, timely communication and provide immediate access to the latest recruitment information.
 - ✓ **Envisioning the Future:** Help prospective talent identify where their career aspirations intersect with the Company's vision, attracting ambitious partners who aspire to shape the future together.

Scan the QR codes to follow our official Instagram and LINE@ account.





4.2 Well-being

2025 Key Activities and Achievements	Ongoing Partnerships and Initiatives	
	Chia Hsin Foundation	Since 1963
	Epoch Foundation (Garage+)	Since 2014
	Sustainability Hackathon	Since 2020
	Taiwan Santa Claus Association	Since 2022
	The Beaver Project	Since 2023
	Good Friend Mission	Since 2023
	Employee Assistance Program (EAP)	Launched in 2023
	Recurring Activities	
	Occupational Health Nurse Consultations	Once per month

✓ Framework Overview

Pillar	Strategy	Key Actions
Respect Every Step	Human Rights and Fair Treatment	Implement the Human Rights Policy, promote workplace communication and grievance mechanisms, and enforce a zero-tolerance policy toward discrimination and harassment to ensure that employees work in a fair, safe, and respectful environment.
Care Every Moment	Comprehensive Employee Support and Well-being	Provide flexible work arrangements and diverse leave and attendance programs, including paid family support, employee health and well-being initiatives, and the Employee Stock Ownership Trust (ESOT) Plan. The Company also promotes a buddy program for new employees, as well as learning and career development initiatives, enabling employees to achieve stable career development and expand their professional capabilities.
Connecting Every Heart	Community Engagement and Social Impact	We collaborate with a diverse range of social organizations to promote public welfare partnerships and put social responsibility into practice. Our partners include Good Friend Mission (Taipei), Taiwan Santa Claus Association, Special Education Class, SihYu Junior High School (Taichung), ZhongHua Elementary School (Hualien), SinJhuang Elementary School (Yunlin), ChengCheng Elementary School (Nantou), Siji Elementary School (Yilan), FeiSha Junior High School (Yunlin), Amazing Grace Deaf Bakery, Kanner Bakery operated by the Changhua County Autism Kanner Parents Association, and the Four Seasons Arts and Education Foundation. In addition, we have maintained a long-term partnership with the Chia Hsin Foundation, giving back to society through concrete actions and contributing to the development of public welfare initiatives.

4.2.1 Respect Every Step – Human Rights Policy and Fair Treatment

1 Human Rights Policy

Scan the QR code to learn more about CHC's Human Rights Policy, Human Rights Due Diligence results, and mitigation measures. ►



CHC recognizes and supports internationally recognized human rights standards, including the United Nations Global Compact, the Universal Declaration of Human Rights, and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. In January 2020, CHC formally established its Human Rights Policy, committing to respecting and protecting human rights, complying with applicable labor and gender equality laws and regulations in the jurisdictions where it operates, and preventing all forms of human rights violations.

CHC demonstrates this commitment by taking concrete actions to prevent human trafficking, forced labor, child labor, and discrimination, while respecting the rights to freedom of association, collective bargaining, and equal pay for equal work. In addition, the Human Rights Policy addresses diversity and inclusion, equal employment opportunities, effective communication channels, a safe and healthy workplace, and the protection of personal data. Implementation of the policy is monitored through routine management and internal audit mechanisms. Furthermore, mitigation and remediation measures are developed based on the findings of human rights due diligence to ensure the effective implementation of the policy.

Human Rights Due Diligence Process

CHC has established a systematic human rights due diligence process to identify potential human rights risks across its operations, suppliers, and new business relationships through responsible departments, including the People and Culture Division and the Risk Management Task Force. The scope of the assessment covers, but is not limited to, employees, women, children, Indigenous Peoples, migrant workers, and third-party workers. Risk assessment results are reviewed on a regular basis to ensure that appropriate mitigation and remediation measures are implemented to address identified or potential human rights issues.

Establish Human Rights Policy

Conduct Risk Identification and Assessment

Implement Risk Mitigation Measures

Review and Verify

No human rights violations or discrimination incidents were reported at CHC in 2025.



2 Labor Practices Commitments and Initiatives

Labor Practices Commitments

CHC strictly complies with applicable labor laws and regulations in the jurisdictions where it operates, safeguards employees' rights and interests, and fulfills the following commitments:

- ① **Wage Protection:** Provide fair compensation that supports a reasonable standard of living while ensuring the principle of equal pay for equal work regardless of gender.
- ② **Working Hours Management:** Establish sound working hours management practices to prevent excessive overtime and overwork.
- ③ **Annual Leave:** Ensure employees are entitled to annual paid leave in accordance with applicable regulations.
- ④ **Transparency and Communication:** Provide advance notice and maintain transparent communication prior to implementing large-scale workforce adjustments.

Labor Practices Initiatives

- ① **Ensure wages meet or exceed living wage or statutory minimum wage standards:** Establish a wage review mechanism to ensure employee compensation meets or exceeds the local living wage or statutory minimum wage requirements.
- ② **Monitor working hours, including overtime:** Implement working hours management practices in accordance with Company policies and the Work Rules. Daily overtime shall not exceed four hours, monthly overtime shall not exceed 46 hours, and all overtime must be approved through the prescribed application process.
- ③ **Ensure employees receive overtime pay:** Calculate all overtime hours in accordance with applicable labor laws and provide overtime compensation accordingly.
- ④ **Maintain regular communication with labor representatives regarding working conditions:** Establish multiple communication channels and engage in regular consultation and dialogue with labor representatives. See Section 4.1.3.
- ⑤ **Regularly monitor gender pay gaps and ensure equal pay for equal work:** Maintain a fair and transparent compensation system, uphold the principle of gender equality, and conduct annual analyses of gender pay ratios. See Section 4.1.2 and Section 5.4.
- ⑥ **Provide comprehensive employee benefits beyond statutory social insurance:** In addition to legally required labor and social insurance, CHC provides group insurance, annual health examinations, seasonal influenza vaccinations, and the Employee Assistance Program (EAP).
- ⑦ **Ensure employees fully utilize paid leave:** Protect employees' entitlement to paid leave in accordance with labor laws, provide real-time leave balance inquiries through the HR system to improve leave management transparency, and establish a leave proxy system to support work continuity and encourage employees to take leave.
- ⑧ **Provide training programs to mitigate the negative impact of industry transformation:** Implement annual talent development plans and diversified education and training programs to enhance employee capabilities and reduce the impact of industry transformation. See Section 4.3.

In 2025, CHC Group incurred **no** monetary losses resulting from legal proceedings related to violations of labor laws.

3 Workplace Equality and Zero Tolerance for Sexual Harassment

CHC maintains a zero-tolerance policy toward all forms of sexual harassment. The scope of protection extends to both on-site and off-site work environments. We are committed to protecting employees from sexual harassment and stalking perpetrated by individuals who are not under the management or control of the CHC Group.

Scan the QR code to learn more about CHC's Workplace Sexual Harassment Prevention Measures, Complaint Procedures, and Disciplinary Regulations.



Sexual Harassment Prevention and Complaint Mechanism



Complaint Review Committee

Women shall comprise no less than one-half of the committee members,

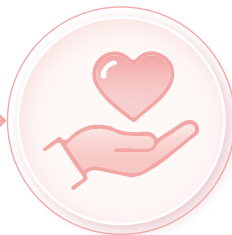
Each gender shall account for at least one-third of the committee



Confidential Investigation
(Protecting privacy and confidentiality)



Corrective and Remedial Measures
(Preventing secondary harm)



Support Resources
(Psychological counseling and medical referrals)

2025 Performance Highlights

0

Sexual Harassment-Related Disciplinary Actions and Complaints

100%

Completion Rate of Sexual Harassment Prevention Training

Communication and Complaint Channels



hr@chcgroup.com.tw



02-2563-4890

4.2.2 Care Every Moment – Comprehensive Employee Support and Well-being

1 Core Employee Benefits: A Holistic Approach Centered on the Employee Experience

At CHC, we translate our commitment to growing together with our employees into meaningful actions by creating a comprehensive employee experience that supports every stage of life, from onboarding to family life. In addition to our employee stock ownership trust and childcare support programs, we offer flexible work arrangements and a wide range of leave benefits that exceed statutory requirements. These initiatives enable employees to balance their professional and personal lives while ensuring they are supported by CHC at every important milestone.

Employee Benefits

New Hire Benefits

- **New Hire Leave** | 2 days of leave provided upon completion of the probation period

Flexible Work Arrangements

- **Flexible Working Hours** | Start work: 7:30–9:30 a.m.
End work: 4:30–6:30 p.m.
- **Remote Work** | Up to 3 days per month
- **Early Dismissal Before Major Holidays – Half-day early leave before major holidays**

Leave Benefits

- **Birthday Leave** | Half day during the employee's birth month
- **Volunteer Leave** | 6 days per year
- **Wellness Leave** | 1 day per year

Employee Financial Benefits

- **Employee Stock Ownership Trust** | CHC provides 100% of the incentive bonus

Health and Well-being

- Free seasonal influenza vaccination
- Annual health examination
- Mental health seminars
- On-site occupational health nurse
- 24-hour Employee Assistance Program (EAP) consultation
- CPR and AED training

Sports and Clubs

- Fitness Center
- Basketball Club
- Yoga Club
- Zumba Club
- Gyrokinesis Club
- Badminton Club

Life Stage Benefits

Family Support

- **Enhanced Bereavement Leave**
(10 paid days for parent or spouse, exceeding statutory requirements)
- **Additional Family Care Leave**
(For employees with no remaining annual leave balance, 3 days per year)
- **Additional Sick Leave**
(For employees with no remaining annual leave balance, 3 days per year)

Maternity Benefits

- **Paid Accompanying Prenatal Check-up & Paternity Leave** – 10 days
- **Paid Prenatal Check-up Leave**
- **Childbirth Gift** – NT\$10,000
- **Newborn Gift Set**
(Valued at NT\$5,000)

Parenting and Family Support

- **Childcare Subsidy**
(Up to NT\$6,000 per child per year)
- **Children's Education Support**
(Employee Welfare Committee Scholarship)

2 Supporting Employees Through Career Transitions

CHC extends its care and support to employees as they transition into retirement or leave the Company. Through a standardized handover process, we ensure a smooth transfer of responsibilities while fostering lasting connections through the Employee Stock Ownership Trust and employee volunteer and club programs. By providing comprehensive transition support, we enhance the employee experience during this important stage of life, empowering employees to embrace new opportunities with confidence and peace of mind.

Employee Stock Ownership Trust	CHC provides 100% of the incentive bonus, enabling employees to share in the Company's business performance, build long-term financial assets, and enhance retirement security.
Work Handover Process	A standardized work handover process ensures a smooth transition of responsibilities and supports departing employees in completing their career transition with confidence.
Continued Volunteer Engagement	Retired employees are encouraged to continue participating in CHC's volunteer programs, fostering lasting social connections and creating meaningful social impact.
Continued Participation in Employee Clubs	Retired employees are welcome to continue participating in CHC's employee clubs, maintaining interpersonal connections and a sense of belonging while enriching their retirement life.

4.2.3 Connecting Every Heart – Building Dreams Through Community Innovation

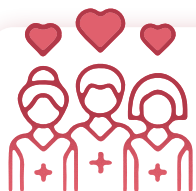
In 2025, "Passing on Love" remained the core theme of CHC's community engagement initiatives. Through meaningful actions, we strengthened employee engagement, responded to community needs, and created lasting social impact.

CHC is committed to building long-term community partnerships through continued engagement, fostering positive relationships with the communities we serve.

Resource Investment Based on the B4SI Framework

Category	Amount	Percentage	Outputs
Cash Contributions	\$1,010,087	10.8%	Supported 66 new domestic and international start-up teams through incubation programs
Time Contributions	\$375,820	4.0%	
In-kind Contributions	\$7,928,722	84.8%	Donated 414 SEL Playing Kits
Management Costs	\$38,270	0.4%	117 employee participations in community engagement activities
Total	\$9,352,899	100%	

CHC × Good Friend Mission



Positive Adult Mentorship Program (2023–2025) 3 consecutive years of implementation

139 cumulative volunteer participations

Positive Adult Mentorship Program

Building on the Positive Adult Mentorship Program launched in 2023, CHC continued its partnership with Good Friend Mission in 2025 to provide meaningful, long-term support for local youth. Through basketball and football friendship games, shared dinners, and participation by recipients of the Chia Hsin Foundation Scholarship, the program fostered lasting connections and a supportive community.

Good Friend Mission has long supported children and adolescents in Taipei through educational programs, mentorship, and personal development initiatives. In addition to daily companionship, its service camps encourage young people to grow from beneficiaries into active contributors, helping build confidence and a sense of responsibility.

Located in Taipei's Zhongshan District, CHC has grown alongside the local community for nearly six decades. In 2025, CHC continued to bring together the resources of the Foundation, employee volunteers, and community partners to respond to local needs and expand the long-term impact of its community engagement initiatives.



• **Christmas Dinner**
Volunteer participants: **13**

• **Howoo Girls's Basketball Friendship Game**
Volunteer participants: **13**

2023

2024



• **Volunteer Chef Cooking Event**
Volunteer participants: **15**

• **Round-the-Island Cycling Event**
Volunteer participants: **3**

• **Basketball Friendship Game**
Volunteer participants: **25**

• **Christmas Dessert Party**
Volunteer participants: **15**



• **Basketball Friendship Game – Season 1**

Volunteer participants: **10**

Building trust and teamwork through companionship on the court.



• **Taiwan – Japan Youth Football Exchange Camp**

Volunteer participants: **7**

Building cross-border friendship through football.

2025



• **Basketball Friendship Game – Season 2**

Volunteer participants: **4**

Sharing energy, teamwork, and memorable moments on the court.



Taiwan–Japan

Youth Football Exchange Camp

CHC partnered with Azul Claro Numazu, a professional football club in Japan, to host a Taiwan–Japan Youth Football Exchange Camp for children supported by Good Friend Mission. The program promoted teamwork, cross-cultural exchange, and youth development through the shared passion for football.



Basketball Friendship Game – Season 1

CHC Basketball Club members joined the Howoo Girls Basketball Team from Good Friend Mission for a friendly game that encouraged teamwork, confidence, and personal growth. Through sports and companionship, employees and youth built meaningful connections both on and off the court.

Basketball Friendship Game – Season 2

CHC Basketball Club reunited with the Howoo Girls Basketball Team for another friendly match, providing a fun and supportive environment where young participants strengthened their confidence, teamwork, and resilience through sport.



• Shining Stars Annual Gathering

Volunteer participants: **12**

Listening to young people's stories and celebrating their courage and growth.



• Green Pepper Community Carnival

Volunteer participants: **6**

Supporting children as they confidently express themselves on the community stage.



• CHC x CHF x Good Friend Mission Christmas Elf Village

Volunteer participants: **16**

Bringing warmth to winter through companionship and shared moments.

Green Pepper Community Carnival

CHC volunteers accompanied children in a community carnival, encouraging them to express themselves with confidence in a familiar environment. Through interactive activities, the event fostered a sense of belonging, strengthened community connections, and created meaningful experiences for both volunteers and participants.



Shining Stars

Annual Gathering

The annual gathering brought social workers and young people together to share stories of growth and companionship. Through listening and dialogue, CHC volunteers witnessed how participants built confidence and resilience in overcoming challenges, reinforcing the lasting value of mentorship and support.

CHC x CHF x Good Friend Mission Christmas Elf Village

CHC employees and Chia Hsin Foundation scholarship recipients joined together as volunteer "elves" to celebrate the holiday season with children. Through games, interaction, and companionship, the event brought warmth and joy to participants while allowing volunteers to experience the shared value of giving back to society.



CHC × Taiwan Santa Claus Association

CHC Elf Village Program



CHC Elf Village Program (2022–2025) 4 consecutive years of implementation

59 cumulative volunteer participations



NT\$ **311,430** in donated supplies

Beneficiaries include: • DaPing Elementary School Baseball Team (Pingtung) • Good Friend Mission (Taipei) • Special Education Class, SihYu Junior High School (Taichung) • ZhongHua Elementary School (Hualien) • SinJhuang Elementary School (Yunlin) • ChengCheng Elementary School (Nantou) • SiJi Elementary School (Yilan) • FeiSha Junior High School (Yunlin)

In 2025, CHC continued its partnership with the Taiwan Santa Claus Association through online reading campaign and donation initiatives, bringing care and support to children beyond the holiday season.

The Taiwan Santa Claus Association has long inspired children through handwritten letters while supporting the educational and daily needs of children in underserved communities. Sharing this commitment, CHC invited employees to become volunteer "Gift Elves" by donating school supplies and daily necessities based on the needs identified by the Association, turning kindness into meaningful action.

Through this long-term partnership, CHC continues to engage employees, community partners, and social resources to create lasting social impact and foster a culture of caring.

Gift Elves 2025

2022
2023
2024

• In-kind Donation Drive

Donation value: NT\$ **18,069**

Beneficiaries: Zhonghua Elementary School, Xinzhuang Elementary School, Chengcheng Elementary School, Siji Elementary School, and Feisha Junior High School

• Online Learning Campaign

Donation value: NT\$ **10,566**

Beneficiary: Special Education Class of SihYu Junior High School



Online Learning Campaign

CHC encouraged employees to complete designated online courses through CommonWealth Innovation Academy, with full participation as the shared goal. Upon achieving the target, CHC donated art supplies to the Special Education Class of SihYu Junior High School, turning employees' learning achievements into meaningful community support. The initiative promoted continuous learning while providing educational resources for students. CHC was also delighted to learn that several students later received awards in an art competition, reflecting the positive impact of the program on their confidence and development.



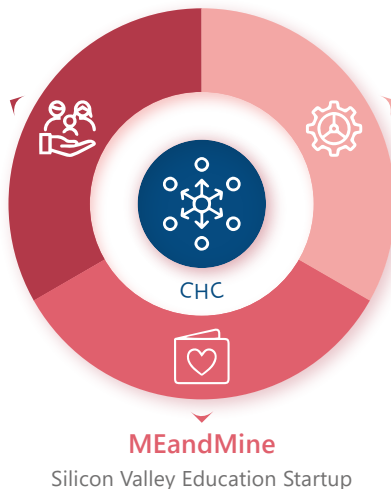
School Supply Donation Drive

Ahead of the holiday season, CHC employees donated school supplies and daily learning materials to support children's educational needs. Thanks to the enthusiastic participation of employees, the campaign exceeded its original goal, expanding support from three schools to five schools and providing more children with the resources they need to learn and grow.

CHC× The Beaver Project Total sponsorship: NT\$ 500,000

Taiwan Fund for Children and Families (TFCF)

A NPO supporting disadvantaged children and youth



Keedle

Professional early intervention team for children

Since 2023, CHC has partnered with MEandMine, an education technology startup, and the Taiwan Fund for Children and Families (TFCF) to promote Social and Emotional Learning (SEL) through a NT\$500,000 sponsorship. The initiative helps children develop self-awareness, emotional regulation, and interpersonal skills, empowering them with the knowledge and confidence to thrive.

Beginning in 2024, CHC expanded the program by partnering with Keedle, a professional early intervention education team. This collaboration extended SEL resources to children receiving early intervention services and their families, providing engaging, science-based learning experiences that support both emotional and cognitive development.

The program integrates hands-on learning materials with STEAM education through experiments and interactive activities. Children explore topics such as the human digestive system, sensory-based crafts, and

everyday emotional interactions, while parents receive practical guidance to better support their children's learning and emotional development.

In 2025, Taiwan's Ministry of Education officially incorporated SEL into the national curriculum framework, marking an important milestone for emotional education. In response, CHC continued to expand The Beaver Project by strengthening SEL capacity within the TFCF network and extending professional development opportunities to early intervention practitioners, enabling more children and families to benefit from structured emotional learning resources.

Building on the early intervention programs introduced at three TFCF Development Centers in 2024, the initiative expanded to include the New Taipei Development Center in 2025. CHC also sponsored a professional training program for early intervention educators, led by Professor Kun-Tsan Lin of the Department of Special Education at National Dong Hwa University. The program combined SEL theory with practical application, helping participants integrate emotional learning into professional practice.

A total of 128 early intervention professionals completed the training. Covering SEL principles, core

competencies, and practical implementation, the program received an average participant satisfaction score of above 4.5 out of 5, with feedback indicating increased confidence in applying SEL concepts in educational and therapeutic settings.

CHC also organized a parent-child workshop for employees and their children aged 3 to 10, using the SEL Playing Kit to explore emotions and the human body through interactive play. The activity strengthened family engagement while deepening employees' understanding of CHC's commitment to early intervention and emotional education.

CHC believes that emotional education extends beyond teaching materials and classroom activities—it is a lifelong foundation for healthy development. Through continued investment in educational resources, professional training, and cross-sector partnerships, CHC remains committed to expanding access to SEL and creating lasting social value.



	SEL Playing Kits Donated	Children Reached
2025	414	167
Since the Program Launch in 2023	1,671	1,308

Outcomes for Children

- **100%** of participating children developed a better understanding of emotions through sensory-based learning.
- **93%** were able to express their feelings more clearly.
- **78%** demonstrated improved attention and concentration.

Support for Families

- **100%** of parents indicated they would continue using the SEL Playing Kit with their children at home.
- **94%** reported greater confidence in responding to their children's needs.
- **91%** gained a better understanding of how to support their children's emotional development.

Teaching Effectiveness

- **83%** of early childhood educators reported enhanced professional capabilities after completing the program.
- **76%** believed the program provided meaningful learning benefits for children receiving early intervention services.



Chia Hsin Foundation

Mr. Min-Yu Chang, founder of Chia Hsin Cement Corporation, established the Chia Hsin Scholarship in the spring of 1960 to support the children of military personnel, civil servants, and educators, as well as students from economically disadvantaged backgrounds. To sustain the scholarship program and further its contribution to society, the Chia Hsin Cement Corporation Foundation was established on June 10, 1963, with the mission of advancing education and cultural development. In 1994, the foundation was later renamed Chia Hsin Foundation to honor founder and his wife, Mrs. Fu-Ming Gong. In 2021, Jason K. L. Chang succeeded as the Chairman of the Foundation.



Purpose

Taken from the community, giving back to society.



Vision

Everyone has the capability and the desire to improve social goodness.



Mission

Inspiring Talent • Caring for the Underserved • Advancing the Humanities



Foundation Established: **1963**–Present
Scholarship program Established: **1960**–Present



Cumulative Scholarship Recipients: **109,561**



Cumulative Scholarships Awarded:
NT\$ **330,371,916**

Diverse Scholarship Programs Supporting Inclusive Education and Sustainable Development

① 66th CHF Education Scholarship(2025)

Scholarship fund: NT\$ **7,000,000**

Recipients: **419** students

② 61st CHF Athletics Scholarship (2025)

Scholarship fund: NT\$ **1,157,000**

Recipients: **94** students

③ 4th CHF Impact Scholarship(2025)

Scholarship fund: NT\$ **500,000**

Recipients: **5** students



The Chia Hsin Foundation has long been dedicated to advancing education and cultural development while expanding access to education for students from disadvantaged backgrounds. Since establishing the Chia Hsin Scholarship in 1960, the Foundation has supported more than 100,000 students, making it one of Taiwan's longest-running scholarship programs established by a private foundation.

The inaugural scholarship program attracted more than 5,000 applications, with 1,200 students each receiving NT\$350—the equivalent of one month's salary for a civil servant at the time. Since then, the scholarship has been awarded every year for more than six decades, reflecting the Foundation's enduring commitment to educational equity.

To respond to evolving societal needs, the Foundation launched the CHF Impact Scholarship in 2022 to encourage university and graduate students to pursue sustainable development and innovation. Between 2022 and 2025, 24 students received the scholarship. The program reflects the Foundation's evolving mission—from supporting students with financial needs to fostering the next generation of sustainability leaders equipped with forward-looking perspectives and a commitment to creating positive social impact.

The 2025 Scholarship Award Ceremony welcomed more than 200 scholarship recipients and their families. The event featured a keynote address by Dr. Shih-Chung Kang, Founder of Jubo Health, who encouraged students to cultivate creativity and empathy—qualities that remain indispensable in the AI era. Scholarship recipients also presented self-produced short films, showcasing their creativity and inspiring fellow awardees. Beyond financial assistance, the Foundation continues to provide leadership and development programs, while sponsoring transportation expenses to ensure recipients from across Taiwan can participate.

The 4th CHF Impact Scholarship(2025)

Recognizing the unprecedented environmental challenges that threaten the well-being of billions of people and the survival of millions of species, the CHF Impact Scholarship encourages the next generation to take an active role in advancing sustainable development. The scholarship supports university and graduate students who demonstrate leadership and commitment in areas such as environmental protection, the circular economy, and other sustainability-related initiatives.

Beyond promoting sustainability on campus, recipients are encouraged to extend their impact to society by driving positive change and helping advance national sustainable development goals.

To further demonstrate its commitment to sustainability, the Chia Hsin Foundation incorporated carbon reduction measures into the 2025 Scholarship Award Ceremony by conducting a comprehensive carbon footprint assessment for the event

2025 Chia Hsin Foundation Scholarship Award Ceremony – Carbon Footprint Performance

Indicator	2025	Change vs. 2024
Total event carbon emissions (kg-CO ₂ e)	2,445.60	↓36%
Event carbon emissions per participant (kg-CO ₂ e)	8.26	↓13%
Carbon emissions from event materials (kg-CO ₂ e)	6.38	↓94%
Transportation-related carbon emissions (kg-CO ₂ e)	1,726.25	↓32%
Food waste generated(kg)	0	↓100%
Participants using public transportation (%)	57.63%	↑11%
Vegetarian meal ratio (%)	100%	↑18%

Youth Empowerment and Startup Support

1 Taiwan University of Education (Academic Year 2025)

Taiwan University of Education (Academic Year 2025)

7 member universities participated, **11** projects implemented

Total sponsorship: NT\$ **1,999,918**

Since 2014, the Chia Hsin Foundation has supported member universities of the Taiwan University of Education in developing annual outreach programs for children in rural and underserved communities. Through weekend tutoring, winter camps, and summer camps, participating universities provide academic support while enriching children's learning experiences.

The programs integrate multicultural learning with a variety of health and recreational activities, creating an engaging environment where children can learn with confidence and enjoy well-rounded personal development.



2 Remote Learning Program for Rural and Indigenous Communities

Since 2012, the Chia Hsin Foundation has provided annual sponsorship to the Taiwan Hope Tribe Association in support of its after-school tutoring program for Indigenous students. Following the COVID-19 pandemic, the program transitioned to an online mentoring and tutoring model, enabling university student volunteers to provide remote academic support for children in rural and Indigenous communities. The Foundation also conducts regular site visits to participating communities to stay connected with students and local partners.

The program recruits volunteer university mentors from higher education institutions across Taiwan to deliver online academic support to students in rural schools and tribal learning centers, helping bridge educational gaps and promote equitable access to education. Through the teaching and mentoring process, the volunteers also grow alongside the students, gaining valuable teaching experience, broader perspectives, and personal development.

3 Future Navigation Program

Since 2023, the Chia Hsin Foundation has organized the Future Navigation Program, a series of company visits, career dialogues, and professional development activities designed exclusively for scholarship recipients. Through direct engagement with leading organizations and accomplished professionals, students broaden their perspectives, strengthen career readiness, and gain valuable insights into future career opportunities. To date, nearly 100 scholarship recipients have participated in the program.

The 2025 program series began in June with Career Navigation: Insights from a Global Technology Leader, featuring a speaker from Google who shared career experiences and discussed the core competencies required in the technology industry.

In September, the Foundation partnered with the Epoch Foundation's Epoch School for the first time to host a Mock Interview Workshop. Six experienced industry mentors conducted discipline-specific mock interviews and resume coaching, helping participants enhance their interview skills and career readiness.

The final event, held in October, brought scholarship recipients to Epoch School Garage+, where they experienced the vitality of Taiwan's startup ecosystem firsthand and gained deeper insights into innovation and entrepreneurship.

Career Dialogue with a Google Speaker



Mock Interview Workshop



Garage+ Startup Accelerator Visit





4 Supporting Entrepreneurship and Innovation

2025 Highlights

Approximately NT\$ **7.5** million in facility rental subsidies provided to startup incubation teams

【Garage+ Program in Partnership with the Epoch Foundation】

• Garage+ Chia Hsin Space

To promote entrepreneurship and innovation education, the Chia Hsin Foundation continues to partner with the Epoch Foundation on the Garage+ Chia Hsin Innovation Hub program.

Established through a partnership agreement signed on October 24, 2014, the Foundation provides nearly 370 ping (approximately 1,220 m²) of office space free of charge for startup teams.

This partnership enabled Garage+ to establish a physical workspace for startup teams, while the Epoch Foundation oversees the hub's daily operations and management, providing startups with incubation resources, mentorship, and business development support.

The Garage+ Chia Hsin Space continues to support both domestic and international startups. In 2025, 66 new startup teams joined the program, including 34 domestic and 32 international teams. Since its establishment, the hub has supported a cumulative total of 674 startup teams (344 domestic and 330 international), with 18 teams maintaining on-site residency during 2025.

Industry	Share(%)
B2B SaaS	29%
IoT/AIoT/Smart Devices/Telecommunication/Space	24%
Digital Health/Medtech	17%
AI & Big Data	11%
Smart Energy / Green Tech	11%
Manufacturing Tech / Logistic / Robotics	5%
Semiconductor	4%

【Epoch School Talent Development Program】

To provide young people across Taiwan with access to world-class learning opportunities and inspire the next generation of entrepreneurs and global leaders, the Epoch Foundation established the Epoch School Talent Development Program in 1998. In addition to its Young Entrepreneurs of the Future, Epoch School also offers the Future Global Manager Program, cultivating talent with international perspectives and leadership capabilities.

From 2023 to 2024, the Chia Hsin Foundation participated as a supporting partner as competition judges and engaged with students through case analysis and solution-based challenges. By guiding participants to investigate real-world issues and develop innovative, practical solutions, the program strengthened students' strategic thinking, problem-solving, and proposal development skills while fostering meaningful exchanges between industry professionals and young talent.

✓ Expanding Social Impact Through Collaborative Partnerships

Emergency Relief for Typhoon-Affected Communities in Hualien NT\$ **49,405** in Emergency Relief Supplies Donated

In 2025, severe typhoon-induced flooding caused the failure of a landslide-dammed lake along the Matai'an River in Hualien, triggering mudflows that severely impacted Guangfu Township. Guided by its commitment to sustainability and the spirit of creating shared value, CHC launched an emergency relief initiative within three days of the disaster under the direction of the President.

To support urgent cleanup and recovery efforts, CHC rapidly procured essential disaster relief and sanitation supplies, including disinfectant alcohol, shovels, rakes, floor brushes, rubber gloves, rain boots, bleach, and heavy-duty garbage bags. To ensure timely assistance, all supplies were consolidated in Wugu District, New Taipei City, and transported to the affected communities in Hualien on the same day.

Beyond providing essential relief supplies, many employees and community volunteers voluntarily participated in sorting and packing the donated materials. Through these collective efforts, CHC transformed compassion into meaningful action, helping affected residents accelerate environmental cleanup and supporting the recovery and rebuilding of their communities while demonstrating its commitment to corporate social responsibility.



2025 Sustainability Hackathon (6th Edition) Sponsorship: NT\$ **40,000**

The 2025 Sustainability Hackathon brought together 21 corporate partners to present real-world business challenges. CHC has supported the program for five consecutive years, providing sponsorship and prize funding to foster young talent through industry-academia collaboration while strengthening positive engagement between the Company, academia, and society.

For this year's competition, CHC proposed the challenge "Integrated Media Branding for New Life Postpartum Care Center," inviting participating teams to develop creative branding and communication solutions that reflected the center's brand identity while addressing practical business needs and long-term brand development objectives.

During the challenge design process, CHC established a clear brand positioning and highlighted the distinctive features of its flagship facility as the foundation for participants' proposals. Teams were tasked with developing integrated media assets capable of effectively communicating the brand's core values and service strengths, providing valuable references for future brand communications and business expansion.

Student teams from China Medical University and Feng Chia University further developed customer journey strategies tailored to target audiences in different cities based on operational scenarios provided by CHC. Their proposals integrated practical and actionable marketing communication strategies, helping establish a more consistent and distinctive brand identity to support the Company's future expansion into new markets.

Social Procurement



2025 Social Procurement

Amount: NT\$ **13,880**

Socially Responsible Procurement

• Amazing Grace Deaf Bakery

CHC purchased Christmas Tree Cookie Gift Boxes from Amazing Grace Deaf Bakery as holiday gifts for children at Good Friend Mission. Through social procurement, the Company not only shared the warmth of the holiday season with children but also supported stable employment and skills development for people who are deaf or hard of hearing. This initiative extended care beyond the gift recipients to the individuals behind the products, creating meaningful social impact through responsible purchasing.



Socially Responsible Procurement

• Kanner Bakery, Changhua County Autism Parents Association

During the Halloween season, CHC purchased festive cookies from Kanner Bakery, operated by the Changhua County Autism Parents Association, as part of its holiday engagement activities. By incorporating social procurement into everyday corporate activities, the Company supported vocational training and employment opportunities for individuals with autism, helping them build practical job skills, confidence, and greater independence. The initiative also used the holiday season as an opportunity to promote social awareness, inclusion, and understanding.



Charitable Donations

Four Seasons Arts and Education Foundation

Total Donation: NT\$**1,700**

As part of its Father's Day celebration, CHC invited employees and their families to participate in a collaborative LEGO building activity while incorporating a charitable giving initiative. For every participant, the Company donated NT\$100 to the Four Seasons Arts and Education Foundation, enabling employees to support arts and education initiatives through their participation.

A total of 17 employees took part in the event, generating NT\$1,700 in donations. Through this initiative, CHC demonstrated how small but meaningful contributions can collectively support educational and arts programs. By integrating charitable giving into employee engagement activities, the Company transformed participation into positive social impact and extended the spirit of caring beyond the event itself.



Good Friend Mission

Total Donation: NT\$**10,100**

Building on the success of its second-hand charity market launched in 2024, the CHC Group expanded the initiative in 2025 by partnering with Taiwan Cement and LDC Hotels & Resorts to co-host a Christmas Charity Market. The event featured gingerbread house workshops and charity merchandise sales, providing employees with diverse opportunities to support public welfare while incorporating sustainability into everyday life.

Through collaboration across corporate partners, the charity market promoted resource reuse, strengthened connections between businesses and local communities, and demonstrated the collective impact of partnerships in creating shared social value and expanding positive social impact.



4.3 Co-learning

2025 Key Activities and Achievements	Ongoing Initiatives	
	Talent Inventory	Since 2019
	Competency Framework Implementation	Since 2022
	CommonWealth Innovation Academy (e-learning platform) (e-learning)	Since 2022
	Chia Hsin Family Internship Program	Since 2023
	Management Book Club	Since 2025

✓ Framework Overview

Pillar	Strategy	Key Actions
Building a Strong Foundation	Sustainable Talent Strategy and Growth	Continue the Chia Hsin Family Internship Program to provide comprehensive job-learning experiences and opportunities to gain an in-depth understanding of the Company. Conduct talent inventory and analysis, enhance the talent development and training system, and cultivate key talent to support the Company's long-term development.
Developing Every Talent	Build an Innovative Talent Development System	Incorporate departmental talent development plans into employees' individual goals at the beginning of each year to enhance professional capabilities. Optimize work processes and introduce AI systems to strengthen organizational readiness and digital capabilities.
Leading Every Level	Advance Leadership Development	Establish a management capability development framework featuring initial learning, peer exchange, and follow-up training to reinforce managers' behavioral transformation. Integrate management tools into talent inventory and performance evaluation systems to continuously cultivate future management talent.
Empowering Every Generation	Strengthen Cultural Heritage and Core Competencies	Through the "Amazon Eye" experiential program and the "Reading Elves" public welfare initiative, reinforce the Company's core values and organizational resilience.

4.3.1 Building a Strong Foundation: Sustainable Talent Strategy and Growth

Part 1 At CHC, internships are not just a learning experience—they are a launchpad for your career.

An organization's sustainable competitiveness is built on the continuous development and transfer of talent. Our commitment to the Chia Hsin Family Internship Program reflects our long-term investment in emerging talent and our dedication to supporting the next generation of professionals through:

Practical Learning:

Bridging academic knowledge with real-world business practices, enabling interns to explore meaningful career paths before entering the workforce.

Mutual Empowerment:

Fostering a collaborative learning environment that brings fresh perspectives into the organization while creating shared growth for both interns and CHC.

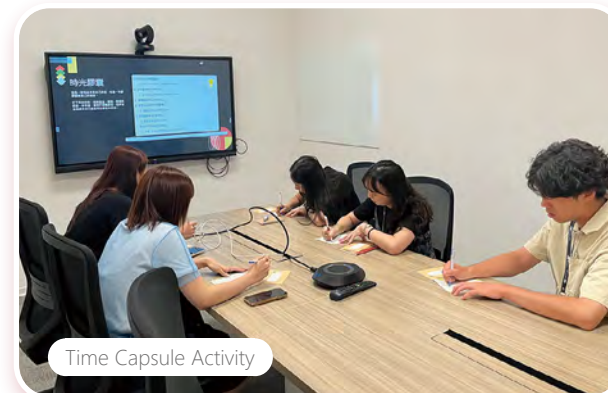
Holistic Development:

Strengthening both technical expertise and essential soft skills to equip interns with the capabilities needed to thrive in a rapidly evolving future.

1 Inclusion Breaking Barriers, Building Belonging

Through a comprehensive onboarding program, interns gain a deeper understanding of CHC's corporate culture, values, and business philosophy. Supported by a dedicated mentor system and cross-functional exchanges, they quickly overcome the uncertainty often associated with the start of a professional career.

At the beginning of the program, interns participate in a Time Capsule activity, documenting their aspirations and making a personal commitment to their future growth. More than developing professional competencies, this process fosters a sense of belonging and psychological safety, laying a solid foundation of trust for the internship journey ahead.



2 Co-Learning

Cross-Functional Growth, Mutual Empowerment

Through brainstorming sessions and collaborative projects involving interns from different functions, participants are encouraged to embrace diverse perspectives by viewing challenges through the eyes of others and breaking down functional boundaries. By working together to solve real business challenges, interns strengthen their technical expertise while developing essential communication and collaboration skills. This co-learning experience creates mutual empowerment, driving innovation and shared growth for both talent and the organization.



Midterm Sharing Session



Cross-Functional Team Challenge

3 Shared Success

Achieving Together, Sustaining Talent Development

The internship journey concludes with a final presentation showcasing each intern's learning and development. This milestone helps interns gain greater clarity about their career direction. Through the Internship Wish Pool, they transform their practical experience into constructive feedback and insights for the next cohort, creating a continuous cycle of knowledge sharing and talent development.



President's Graduation Message to the Third Cohort of Interns



Final Presentation

Part 2 Empowering Youth Through Global Learning: Highlights of CHC's 2025 Overseas Internship Program

CHC continues to advance social engagement by cultivating future hospitality professionals through the Hotel Collective Overseas Internship Program in Okinawa, Japan, fostering seamless integration between academia and industry.

Program Highlights and Achievements

- **Strengthened Industry–Academia Collaboration:** Partnered with leading universities, including Chinese Culture University, to cultivate future talent.
- **Immersive Professional Training:** Provided hands-on experience in core hotel operations, including Housekeeping and Food & Beverage services, under five-star hospitality standards.
- **Demonstrated Talent Growth:** Intern feedback indicated significant improvements in professional competencies, communication skills, and cross-cultural adaptability.



Student Tsai,
Department of Japanese Language and Literature,
Chinese Culture University

"I am truly grateful to CHC for providing me with this invaluable opportunity to participate in an internship at Hotel Collective in Japan.

Although my internship in Okinawa lasted only three months, the time passed remarkably quickly—just like a summer vacation back home in Taiwan. It was an incredibly fulfilling and rewarding experience. I was especially encouraged that my Japanese communication skills were recognized by my supervisors, and I was equally proud of my ability to adapt independently to life in a new cultural environment.

During the internship, I was assigned to two departments: Housekeeping and the fourth-floor buffet restaurant, ADD. Whenever I encountered unfamiliar tasks, my supervisors and colleagues were always willing to provide patient guidance and generously share their expertise. Thanks to their support, I gained valuable knowledge in workplace etiquette, practical hospitality skills, and efficient work techniques that enhanced my overall performance."

Student Chen,
Department of Philosophy,
Chinese Culture University



"This was my first experience working and interning abroad, and I feel truly fortunate to have joined the Housekeeping Department at Hotel Collective. Although I was a little nervous at first, my supervisors and colleagues were exceptionally welcoming and patiently guided me through every aspect of the job, allowing me to gradually adapt to the new environment.

Throughout the three-month internship, I gained invaluable hands-on experience, including mastering room preparation procedures, appreciating the importance of attention to detail, and working alongside people from diverse cultural backgrounds. Each day was both fulfilling and rewarding, while also giving me a deeper appreciation of the dedication and hard work required in the hospitality industry. I am sincerely grateful to Hotel Collective for providing me with this invaluable internship opportunity."

Part 3 Cultivating Talent, Empowering Youth: Internship Experiences Across CHC Group Companies

Through the Jaho Life Plus+ Internship Program, CHC provided Student Shih, an intern from the School of Public Health, with hands-on learning opportunities that bridged academic knowledge and real-world practice.

Program Highlights and Achievements

- **Immersive Practical Learning:** Gained first-hand experience on the front lines of care services, bridging academic theory with industry practice while strengthening the application of professional competencies.
- **End-to-End Service Perspective:** Developed a comprehensive understanding of the integrated service model beyond a single functional area, including client needs assessments and the operations and management of the central kitchen.
- **From Knowledge to Practice:** Took the lead in delivering a postpartum nutrition seminar, transforming professional knowledge into accessible health education through every stage—from planning to presentation. The seminar achieved an overall satisfaction rate of 95%, demonstrating the successful integration of academic learning with practical application.

Student Shih, University of Washington School of Public Health (Seattle)

"One of the most memorable experiences during my internship was visiting the central kitchen for the first time. Having never had the opportunity before, I gained a new appreciation for the standardized processes and rigorous food safety and hygiene management required in large-scale meal production.

Compared with my previous experience working at an ice cream shop on campus, where practices such as changing gloves and cleaning cloths were not always consistently followed, I came to understand how inadequate food handling can contribute to foodborne illness. This experience gave me a much deeper appreciation of the importance that Chia Ho Health Services places on food safety and reinforced my understanding of the critical role it plays in delivering high-quality care."



From Foundation to Leadership: A Holistic Internship Journey

For CHC, this internship program represents a long-term investment in cultivating talent. By planting the seeds of opportunity, we empower every intern to discover their career direction, strengthen their capabilities through hands-on experience, and grow alongside CHC in creating a more sustainable future.

Internal Talent Development

Learning × Practice × Career Advancement

Each year in the fourth quarter, CHC conducts a comprehensive departmental talent development planning process covering competency framework development, talent assessment, and talent cultivation. Based on their short-, medium-, and long-term objectives, each department reviews whether employees possess the capabilities required to meet business goals and the defined competency requirements.

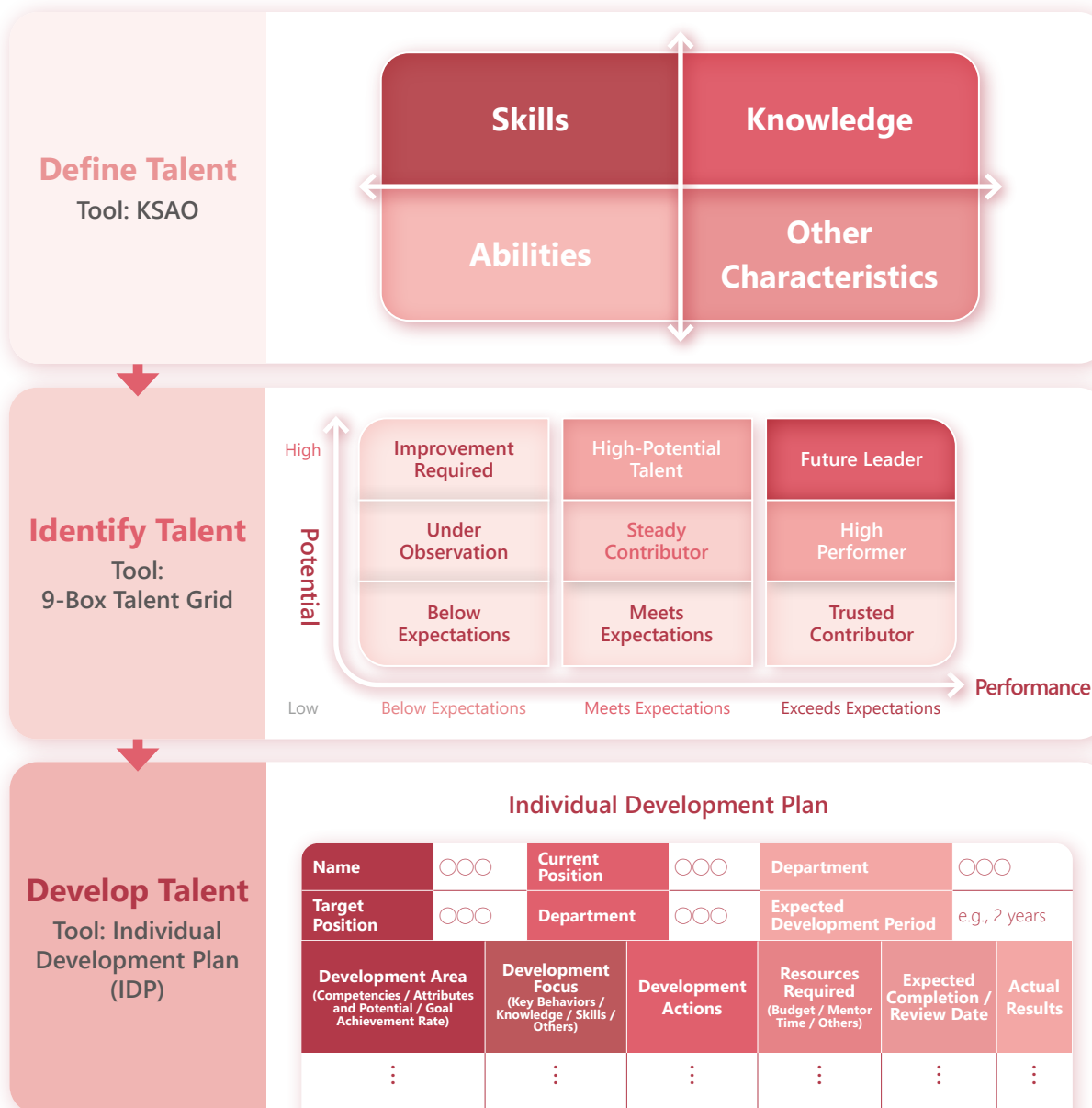
Departments also develop talent development plans based on key priorities and project needs for the coming year, including:

- Providing internal and external training programs.
- Assigning experienced departmental colleagues to provide dedicated coaching and on-the-job guidance.

In addition, CHC maintains a structured training framework to support employees at every stage of their careers, including:

- ① **New Employee Orientation:** Helps new employees quickly integrate into the organization and gain a clear understanding of their roles and responsibilities.
- ② **Mandatory Training for All Employees:** Strengthens core competencies and foundational knowledge.
- ③ **Management Development Programs:** Develops leadership and management capabilities to support organizational growth.

Talent Review



CHC Group Learning and Development Framework											
New Hires (Less than 3 Months)		All Employees									
General Learning											
New Employee Training		Occupational Safety and Health			Policy Awareness				Corporate Culture		
New Employee Orientation	Onboarding Program	Fire Safety Training	First Aid Training	Health and Well-being Training	Insider Trading Prevention	Workplace Equality Awareness	ESG Awareness (including Ethical Management)	Information Security Awareness	Sustainability Partner Program	Core Competency Development	Self-Directed Learning
* Mandatory Courses for Current Employees											

Specialized Professionals					Management			
Professional Learning					Leadership Learning			
Professional Certification		Professional Development		Professional Competencies	Emerging Leaders (Prospective / First-Time Managers)		Middle Management	Senior Management
Initial Certification Training	Certification Renewal Training	Accounting Supervisor Training	Internal Auditor Training	Professional Competency Development	Leadership Mindset	Leadership Skills	Leadership Knowledge	Executive Leadership Program

In 2025, CHC strengthened its talent development framework under the theme of Competency Enhancement × Structured Learning × Practical Application, integrating core, professional, and managerial competencies into a unified learning system. In addition to leveraging the Commonwealth Innovation Academy digital learning platform, CHC combined mandatory assigned courses with instructor-led classroom training to enhance learning engagement and the practical application of knowledge.

For core competencies, "Teamwork" and "Innovation" were identified as the annual learning priorities. Through a mandatory learning curriculum complemented by community engagement initiatives, employees were encouraged to translate learning into meaningful social participation, fostering a learning culture that integrates knowledge with shared values. The completion rate for mandatory courses increased significantly in 2025, demonstrating the organization's strong commitment to continuous learning.

For professional competencies, each department allocated dedicated training budgets aligned with its annual strategic objectives. Training initiatives included externally delivered communication courses, professional skills development programs, and cross-functional project-based learning, enabling employees to strengthen practical capabilities through hands-on experience.



Employee Training and Development Hours Across CHC Group in 2025

Employee Category	Management	Non-management	Total
Number of Employees Trained (A)	108	209	317
Total Training Hours (B)	3,451	1,617	5,068
Average Training Hours per Employee (B)/(A)	31.96	7.74	15.99
Training Expenditure (C) (NT\$)	1,160,363	515,862	1,676,225
Average Training Expenditure per Employee (C)/(A) (NT\$)	10,744	2,468	5,288

Employee Category	Male	Female	Total
Number of Employees Trained (A)	152	165	317
Total Training Hours (B)	2,866	2,202	5,068
Average Training Hours per Employee (B)/(A)	18.85	13.35	15.99
Training Expenditure (C) (NT\$)	712,109	964,116	1,676,225
Average Training Expenditure per Employee (C)/(A) (NT\$)	4,685	5,843	5,288

Note 1: A total of 317 employees received training in 2025.

Note 2: Total training expenditure in 2025 was NT\$1,676,225, excluding a special subsidy of NT\$3,030,300 provided to a single employee.

4.3.2 Developing Every Talent: Build an Innovative Talent Development System

Talent is the driving force behind CHC's transformation. Accordingly, we design tailored learning pathways based on employees' tenure, competencies, and development needs, ensuring that everyone has access to meaningful growth opportunities at every stage of their career. Through a systematic approach that integrates digital learning tools, instructor-led training, and annual performance reviews, we support employees' continuous development by helping new hires adapt quickly while enabling employees at all levels to strengthen their professional expertise and leadership capabilities. By embedding continuous learning into our corporate culture, we empower every employee to grow throughout their career and build the capabilities needed for long-term success.

✓ New Employees: A Strong Start × Accelerated Growth

The arrival of new employees marks the beginning of renewed energy and fresh perspectives for CHC. To support a smooth transition, we have established a dual-track onboarding program comprising first-day orientation and a comprehensive onboarding training program. Beyond equipping new employees with essential knowledge and skills, the program is designed to ensure that every new member of the CHC family feels welcomed and supported from day one.

In addition, each new employee is paired with an on-the-job mentor to provide role-specific guidance, while the People and Culture Division operates a buddy program to facilitate integration into the Company's culture and workplace environment. Through these complementary support mechanisms, we help new employees adapt with confidence and foster a positive employee experience from the very beginning.



First Day

Seamless Integration × Essential Orientation

On their first day, new employees participate in new employee orientation and occupational safety training to gain an understanding of CHC's core values, company policies, and essential workplace tools, laying a solid foundation for a successful start to their careers.

- **Workplace Orientation and Administrative Enablement:** Guided by dedicated members of the People and Culture Division, new employees quickly become familiar with the workplace environment, IT systems, and administrative procedures, ensuring they have the essential tools and resources needed to begin work effectively from day one.
- **A Sense of Belonging and Support:** Each new employee meets with their mentor or department supervisor to gain an introduction to the team, its working culture, and key responsibilities. This early engagement helps new employees feel welcomed, supported, and connected from their very first day at CHC.



Onboarding Training

Building Foundations × Strengthening Competencies

After completing the initial onboarding phase, employees participate in a comprehensive onboarding training program designed to deepen their understanding of CHC's culture and corporate responsibilities. Building on the administrative orientation provided on their first day, this stage focuses on strengthening organizational alignment and reinforcing the knowledge and values essential for long-term success.

- **Thirteen Core Learning Modules:** Covering topics such as CHC's ESG vision, talent development pathways, and corporate social responsibility, these sessions are delivered by department leaders, enabling new employees to gain first-hand insights into the Company's strategic priorities and organizational culture.

- **Zero-Tolerance Policies:** Dedicated training on workplace equality, information security, insider trading prevention, and the internal control system ensures that employees establish a strong understanding of workplace ethics, regulatory compliance, and the Company's zero-tolerance standards before assuming their professional responsibilities.
- **Cross-Functional Connections:** By participating in training alongside new employees from different departments, participants build cross-functional relationships, break down organizational silos, and foster collaboration and shared understanding across the Company.



Buddy Program

Fostering Cultural Integration × Growing Together

In addition to role-specific guidance provided by on-the-job mentors, CHC has established a Buddy Program to help new employees become familiar with the Company's culture, workplace relationships, and internal resources beyond their day-to-day responsibilities (see Section 4.1.4).

Through a structured onboarding journey, the Buddy Program, and dedicated on-the-job mentoring, CHC supports every new employee in adapting smoothly, developing professional competencies, and building a strong foundation for long-term career growth.



✓ Professional Competency Development:

Continuous Learning×Strengthening Competitiveness

To support employees' continuous professional development, CHC conducts an annual training needs assessment and encourages managers and employees across departments to jointly identify learning priorities through open discussion. The Company allocates sufficient resources and training budgets to support participation in external training programs, professional certification courses, and industry conferences, enabling employees to acquire the latest knowledge and skills, stay competitive in a rapidly evolving business environment, and enhance their long-term career development.

By continuously strengthening professional competencies, employees are better equipped to perform effectively in their day-to-day responsibilities while creating greater value across diverse functions. Their expertise supports the Company's sustainable growth and long-term success. Looking ahead, CHC will continue to invest in employee learning and development, empowering every employee to maximize their potential and build a rewarding and successful career.

✓ Knowledge Exchange:

Connecting People×Expanding Learning Horizons

- **External Seminars:** Participating in seminars on the latest labor regulations and industry trend forums to stay informed of evolving market developments.
- **Market Intelligence Sharing by Consulting Firms:** Leveraging insights from external consulting firms to enhance business acumen and strengthen decision-making capabilities.

✓ Hands-on Project Experience:

Collaborative Learning×Exploring New Possibilities

To support the Company's digital transformation strategy, CHC launched a comprehensive SAP implementation training program in 2025 for employees in key business functions and corporate support units.

- **Intensive Training Program:** A total of **36** key employees completed **69** hours of intensive training covering standardized business processes, hands-on SAP module operations, and integrated system applications. The program strengthened employees' ability to align financial and operational data accurately, improving both operational efficiency and decision-making quality.
- **Organization-Wide Impact:** Through the SAP implementation training program, CHC established a common digital language across the organization, enabling seamless integration of financial and business data while enhancing data-driven management and overall decision-making effectiveness.



4.3.3

Leading Every Stage: Leadership Development and Career Planning

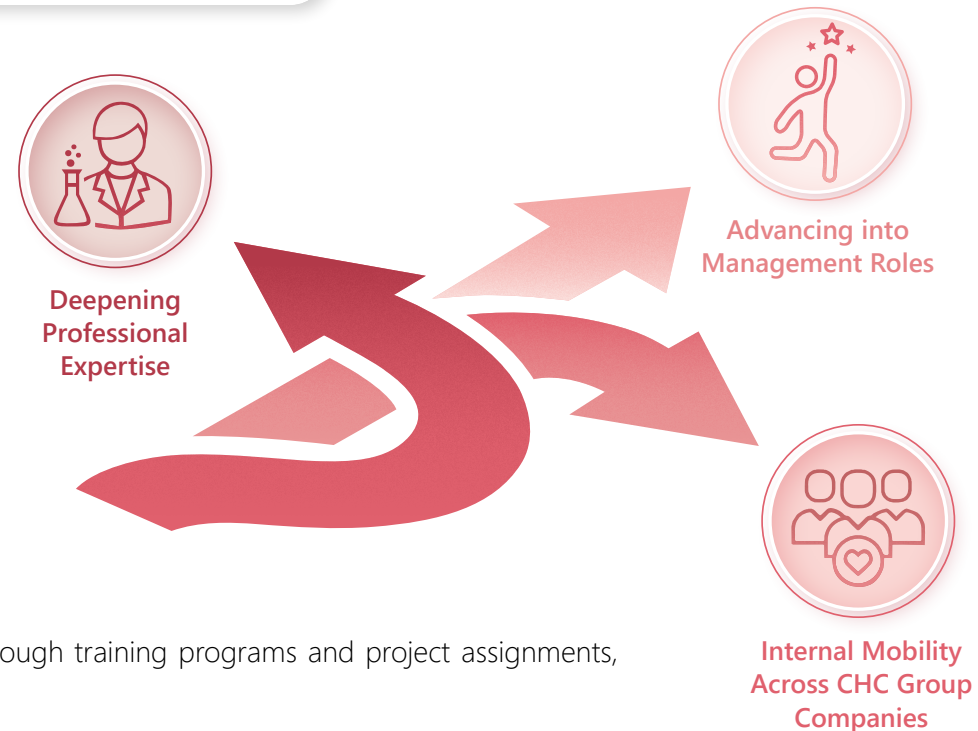
✓ Internal Career Development and Talent Mobility:

Growth×Diverse Opportunities×Unlocking Potential

To support employees' long-term career development, CHC has established three internal career pathways, providing opportunities for professional specialization, advancement into management roles, and cross-functional or cross-company mobility. Vacancies are regularly announced internally to ensure transparency, and employees are encouraged to discuss their career aspirations with the People and Culture Division. Through coordinated career planning and internal job matching, employees are empowered to pursue development opportunities that best align with their career goals, fostering mutual growth for both employees and the Company.

The three career pathways support diverse career aspirations and development needs:

- **Professional Specialization:** Employees deepen their expertise through training programs and project assignments, strengthening core competencies and enhancing professional value.
- **Advancement into Management Roles:** High-potential employees are supported in developing leadership capabilities and progressively assuming management responsibilities.
- **Cross-Functional and Cross-Company Mobility:** Employees are encouraged to apply for internal transfers based on their career aspirations, enabling them to broaden their experience, expand functional expertise, and contribute to greater organizational agility and competitiveness.



✓ Leadership Excellence: Learning × Practice × Leadership

For management-level employees, CHC combines digital learning with hands-on training to foster a shared management approach across departments. A continuous cycle of learning, peer exchange, and application helps managers translate knowledge into effective leadership practices.

Management Salon: "Think Tank" and "Leader's Choice" Book Clubs

Mid-level managers in the Think Tank group completed 69 online leadership modules (495 minutes) and participated in three in-person book club sessions. The program combined digital learning, peer discussions, and practical case sharing to strengthen leadership capabilities and promote the application of learning in daily management.

- **Practical Application:** Manager-led book clubs address real workplace challenges through cross-functional collaboration and talent development.
- **Learning from Failure:** Dedicated reflection sessions encourage managers to share setbacks, learn collectively, and strengthen organizational resilience.
- **Collaboration and Alignment:** Interactive exchanges build shared understanding of corporate culture and core competencies, strengthen cross-functional collaboration, and enhance organizational effectiveness.



Developing Frontline Managers and Successors: Turning Learning into Practice

Participants completed 70 online learning modules (576 minutes) and attended four 1.5-hour in-person book club sessions. Through guided discussions, knowledge sharing, and cross-functional exchanges, participants enhanced their management capabilities and leadership readiness.

- **Cross-functional Collaboration:** Cross-departmental teams facilitated book discussions, strengthening collaboration and organizational connections.
- **Peer Learning:** Participants shared key learning points and exchanged perspectives, broadening their understanding of management practices.
- **Practical Application:** Case discussions and action planning helped participants apply learning to daily management and accelerate leadership development.



In 2025, 37 managers participated in an advanced leadership development program featuring a 7+3 learning model and online coaching.

- **Situational Leadership (7-hour workshop + 3-hour follow-up):** Managers applied the Performance Blueprint framework to align leadership styles with employees' development levels.
- **Crucial Conversations (7-hour workshop + 3-hour follow-up):** Participants practiced structured communication techniques to foster open dialogue and psychological safety.
- **Application and Coaching:** Participants completed a 45-day action plan, supported by four one-hour online coaching sessions to reinforce practical application and embed new management practices.



4.3.4

Empowering Every Generation: Strengthen Cultural Heritage and Core Competencies

We believe that employee development extends beyond training. Through a structured learning framework and a supportive culture, we enable employees to continuously develop their capabilities and support the Company's sustainable growth.



Competency Model and Core Competencies

CHC has established six core competencies as shared behavioral standards to reinforce our corporate culture and values.

Strengthening

the 6 Core Competencies

These competencies—integrity, initiative, accountability, adaptability, innovation, and teamwork—are embedded throughout the employee lifecycle, including recruitment, talent development, and performance evaluation.

To further promote understanding of the core competencies, interactive quizzes were incorporated into employee sharing sessions, receiving positive feedback from participants.



Integrity Culture and Risk Awareness

Integrity training achieved a 100% participation rate in 2025. In addition to management workshops, training on insider trading prevention, confidential information management, and integrity case studies was provided to all employees, with 201 participants.

Team Collaboration

A cross-company "Reunion Teamwork" workshop, featuring the Eye of Amazon experiential program, engaged 81 employees. The workshop strengthened psychological safety, cross-functional collaboration, and organizational cohesion through interactive learning and reflection.

Core Competency Development

The Reading Elf program encouraged employees to develop innovation and teamwork competencies through self-directed learning. In 2025, the completion rate for core competency courses reached 62%, demonstrating strong employee engagement.

Creating Social Impact

Building on our commitment established with Taichung Municipal SihYu Junior High School in 2024, employees' learning achievements were translated into corporate support. In 2025, CHC donated stationery and art supplies valued at approximately NT\$10,000 to support reading and creative learning for students in special education classes.



✓ Empowering the Workplace:

Diversity, Inclusion, and Well-being (EAP)

This year's Employee Assistance Program (EAP) focused on diversity, equity, and inclusion (DEI) and psychological resilience to foster a psychologically safe workplace. Through professional training on cross-generational collaboration, stress management, inclusive workplaces, DEI practices, and mindful communication, employees strengthened their adaptability, interpersonal skills, and resilience.

A total of five online training sessions, comprising 15 hours, were delivered during the year, with 106 employee participants.

✓ Deepening Local Engagement:

Hotel Collective 5th Anniversary Employee Appreciation Festival



As CHC Group expands internationally, our employees remain the foundation of our success. To celebrate the 5th anniversary of Hotel Collective, we held an Employee Appreciation Festival to recognize employees' contributions, while promoting employee well-being and cultural inclusion.

Fostering Cross-Border Collaboration

Employees from Taiwan shared congratulatory videos, while senior executives visited Okinawa to celebrate with local teams. A commemorative T-shirt featuring Bingata, Okinawa's traditional textile art, was distributed to employees in Taiwan and Japan. A corporate introduction video further strengthened cross-business understanding and employees' connection to the Group's shared vision.



Supporting Employees and Their Families

Employees' family members were invited to join the celebration, which featured a magic show, lucky draw, and commemorative gifts. The event created opportunities for families to celebrate together while reinforcing CHC's commitment to employee well-being and work-life balance.

The festival reflected CHC's commitment to talent sustainability. Looking ahead, we will continue to strengthen cross-border collaboration while fostering a culture of inclusion and shared growth.



05 Appendix

5.1 GRI Content Index

Statement of use

Chia Hsin Cement Corporation has reported in accordance with the GRI Standards for the period (January 1 to December 31, 2024).

GRI 1 used

GRI 1: Foundation 2021

Applicable GRI Sector Standard(s)

N/A

GRI Standard	Disclosure	Reference / Description	Page
GRI 2: General Disclosures 2021			
1. The Organization and Its Reporting Practices			
2-1	Organizational details	1.4 Group Overview	p.6
2-2	Entities included in the organization's sustainability reporting	1.1 About This Report	p.2
2-3	Reporting period, frequency, and contact point	1.1 About This Report	p.2
2-4	Restatements of information	1.1 About This Report	p.3
2-5	External assurance	1.1 About This Report 5.8 External Assurance Statement	p.3 p.119
2. Activities and Workers			
2-6	Activities, value chain, and other business relationships	1.4 Group Overview	p.6
2-7	Employees	4.1 Inclusion	p.59
2-8	Workers who are not employees	4.1 Inclusion	p.60

GRI Standard	Disclosure	Reference / Description	Page
3. Governance			
2-9	Governance structure and composition	2.1 Professionalism Diversity	p.13
2-10	Nomination and selection of the highest governance body	2.1 Professionalism Diversity	p.13
2-11	Chair of the highest governance body	2.1 Professionalism Diversity	p.13
2-12	Role of the highest governance body in overseeing the management of impacts	2.1 Professionalism Diversity	p.13
2-13	Delegation of responsibility for managing impacts	2.1 Professionalism Diversity	p.13
2-14	Role of the highest governance body in sustainability reporting	2.1 Professionalism Diversity	p.13
2-15	Conflicts of interest	2.1 Professionalism Diversity	p.13
2-16	Communication of critical concerns	2.1 Professionalism Diversity	p.13
2-17	Collective knowledge of the highest governance body	2.1 Professionalism Diversity	p.13
2-18	Evaluation of the performance of the highest governance body	2.1 Professionalism Diversity	p.15
2-19	Remuneration policies	4.1.2 Fair and Equitable Compensation	p.62
2-20	Process to determine remuneration	4.1.2 Fair and Equitable Compensation	p.63
2-21	Annual total compensation ratio	4.1.2 Fair and Equitable Compensation	p.63
4. Strategy, Policies and Practices			
2-22	Statement on sustainable development strategy	1.2 Letter from the Chairman 1.3 Letter from the Chief Sustainability Officer	p.4 p.5
2-23	Policy commitments	3.3.1 Environmental and Energy Management Systems 4.2.1 Human Rights Policy and Fair Treatment	p.50 p.73
2-24	Embedding policy commitments	3.3.1 Environmental and Energy Management Systems 4.2.1 Human Rights Policy and Fair Treatment	p.50 p.73

GRI Standard	Disclosure	Reference / Description	Page
2-25	Processes to remediate negative impacts	2.6 Ethical Management	p.30
		4.2.1 Human Rights Policy and Fair Treatment	p.73
2-26	Mechanisms for seeking advice and raising concerns	2.6 Ethical Management	p.30
2-27	Compliance with laws and regulations	2.4 Regulatory Compliance	p.25
2-28	Membership associations	5.3 Participation in Public Associations	p.110
5. Stakeholder Engagement			
2-29	Approach to stakeholder engagement	2.2 Stakeholder Engagement	p.18
2-30	Collective bargaining agreements	N/A. As CHC employees have not established a labor union, no collective bargaining agreements have been signed. Regular labor-management meetings are held to facilitate communication.	-
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	2.3 Identification of Material Issues	p.21
3-2	List of material topics	2.3 Identification of Material Issues	p.21
3-3	Management of material topics	2.3 Identification of Material Issues	p.21
GRI 300: Environmental Topics			
Material Topic: Greenhouse Gas Management		GRI 302: Energy 2016	
302-1	Energy consumption within the organization	3.3.4 GHG Emissions and Environmental Performance Indicators	p.55
302-3	Energy intensity	3.3.4 GHG Emissions and Environmental Performance Indicators	p.55
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	3.3.4 GHG Emissions and Environmental Performance Indicators	p.55
305-2	Energy indirect (Scope 2) GHG emissions	3.3.4 GHG Emissions and Environmental Performance Indicators	p.55

GRI Standard	Disclosure	Reference / Description	Page
305-3	Other indirect (Scope 3) GHG emissions	3.3.4 GHG Emissions and Environmental Performance Indicators	p.55
305-4	GHG emissions intensity	3.3.4 GHG Emissions and Environmental Performance Indicators	p.55
GRI 400: Social Topics			
Material Topic: Talent Development Strategy		GRI 401: Employment 2016	
401-1	New employee hires and employee turnover	5.4 Workforce Statistics	p.111
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.1 Inclusion	p.57
		4.2 Well-being	p.72
401-3	Parental leave	5.4 Workforce Statistics	p.113
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	4.3 Learning	p.98
404-2	Programs for upgrading employee skills and transition assistance programs	4.2.2 Comprehensive Employee Support and Well-being	p.77
404-3	Percentage of employees receiving regular performance and career development reviews	4.1.2 Fair and Equitable Compensation	p.65
GRI 405: Diversity and Equal Opportunity2016			
405-1	Diversity of governance bodies and employees	2.1 Professionalism Diversity	p.14
		4.1 Inclusion	p.59
Company-defined Material Topics			
Material Topic 【Information Security】		2.4 Regulatory Compliance	p.25
		2.9 Digital Resilience	p.36
Material Topic 【Risk Management】		2.5 Risk Management	p.27
		3.2 Climate Action	p.43
Material Topic 【Digital Transformation】		2.4 Regulatory Compliance	p.25
		2.9 Digital Resilience	p.36
		3.1 Climate Governance	p.39

5.2 SASB Standards Mapping Table

SASB – Construction Materials

Disclosure Topic	Accounting Metric	Category	Disclosure	Reference / Description	Page
Greenhouse Gas Emissions	EM-CM-110a.1	Quantitative	① Gross global Scope 1 emissions ② Percentage covered under emissions-limiting regulations	3.3.4 GHG Emissions and Environmental Performance Indicators * Currently not applicable as CHC does not manufacture cement.	p.55
	EM-CM-110a.2	Qualitative	Long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and analysis of performance against those targets	3.3.4 GHG Emissions and Environmental Performance Indicators	p.55
Air Quality	EM-CM-120a.1	Quantitative	Air emissions of the following pollutants: ① NOx (excluding N ₂ O) ② SOx ③ Particulate Matter (PM10) ④ Mercury (Hg) ⑤ Volatile Organic Compounds (VOCs) ⑥ Polycyclic Aromatic Hydrocarbons (PAHs) ⑦ Heavy Metals	Not applicable. CHC currently does not manufacture cement.	-
Energy Management	EM-CM-130a.1	Quantitative	① Total energy consumed ② Percentage grid electricity ③ Percentage renewable energy ④ Percentage self-generated energy	3.3.4 GHG Emissions and Environmental Performance Indicators * CHC currently does not use renewable energy or alternative energy sources.	p.55
Water Management	EM-CM-140a.1	Quantitative	① Total water withdrawn ② Percentage recycled water ③ Percentage of water withdrawn in regions with High or Extremely High Baseline Water Stress	3.3.4 GHG Emissions and Environmental Performance Indicators * Operating sites are not located in areas of high or extremely high baseline water stress; therefore, recycled water percentage is not calculated.	p.55
Waste Management	EM-CM-150a.1	Quantitative	① Total waste generated ② Percentage hazardous waste ③ Percentage recycled	3.3.4 GHG Emissions and Environmental Performance Indicators * No hazardous waste generated.	p.55
Ecological Impacts	EM-CM-160a.1	Qualitative	Description of environmental management policies and practices for active sites	3.3 Environmental Management and Energy & Resource Efficiency	p.50
	EM-CM-160a.2	Quantitative	① Area of land disturbed ② Percentage of disturbed land rehabilitated	None	-
Workforce Health & Safety	EM-CM-320a.1	Quantitative	① Total recordable incident rate (TRIR) ② Fatality rate	5.4 Workforce Statistics	p.111
	EM-CM-320a.2	Quantitative	Number of silicosis cases	None	-
Product Innovation	EM-CM-410a.1	Quantitative	Percentage of products that qualify for sustainable building design and infrastructure certifications	Not applicable. CHC currently does not manufacture cement.	-
	EM-CM-410a.2	Quantitative	Percentage of products by revenue that reduce energy, water, and/or material impacts during use and/or production	CHC currently does not manufacture cement.	-
Pricing Integrity & Transparency	EM-CM-520a.1	Quantitative	Total amount of monetary losses as a result of legal proceedings associated with price-fixing or anti-competitive behavior	No related litigation occurred during the reporting period.	-

SASB – Hotels & Lodging

Disclosure Topic	Accounting Metric	Category	Disclosure	Reference / Description	Page
Energy Management	SV-HL-130a.1	Quantitative	① Total energy consumed ② Percentage grid electricity ③ Percentage renewable energy	Total energy consumption at Hotel Collective was 17,703.20 GJ. Grid electricity accounted for 100% of total energy consumption, and no renewable energy was used.	-
Water Management	SV-HL-140a.1	Quantitative	① Total water withdrawn ② Total water consumed ③ Percentage of water withdrawn in regions with High or Extremely High Baseline Water Stress	Total water withdrawal and consumption at Hotel Collective were 72,156 m ³ . The hotel is not located in a region with high or extremely high baseline water stress.	-
Ecological Impacts	SV-HL-160a.1	Quantitative	Number of lodging facilities located in or adjacent to protected areas or areas of protected species habitat	The hotel is not located in or adjacent to protected areas or protected species habitats.	-
	SV-HL-160a.2	Qualitative	Description of environmental management policies and practices for ecological impacts	3.3 Energy Efficiency	p.50
Labor Practices	SV-HL-310a.1	Quantitative	① Voluntary turnover rate ② Involuntary turnover rate	5.4 Workforce Statistics	p.111
	SV-HL-310a.2	Quantitative	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	No legal proceedings related to labor law violations occurred during the reporting period.	-
	SV-HL-310a.3	Quantitative	① Average hourly wage ② Percentage of in-region minimum wage earned by employees	5.4 Workforce Statistics	p.113
	SV-HL-310a.4	Qualitative	Description of policies and programs to prevent worker harassment	4.2 Well-being	p.75
Climate Change Adaptation	SV-HL-450a.1	Quantitative	Number of lodging facilities located in the 100-year flood zone	The hotel is not located within a 100-year flood zone.	-

SASB – Professional & Commercial Services

Disclosure Topic	Accounting Metric	Category	Disclosure	Reference / Description	Page
Data Security	SV-PS-230a.1	Qualitative	Description of approach to identifying and addressing data security risks	2.9 Digital Resilience	p.36
	SV-PS-230a.2	Qualitative	Description of policies and practices relating to the collection, usage, and retention of customer information	2.4 Regulatory Compliance	p.25
	SV-PS-230a.3	Quantitative	① Number of data breaches ② Percentage involving customers' confidential business information (CBI) or personally identifiable information (PII) ③ Number of customers affected	2.4 Regulatory Compliance	p.25
Professional Integrity	SV-PS-510a.1	Qualitative	Description of approach to ensuring professional integrity	2.6 Ethical Management	p.30
	SV-PS-510a.2	Quantitative	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	No legal proceedings related to professional integrity occurred during the reporting period.	-
Employee Diversity & Engagement	SV-PS-330a.1	Quantitative	Percentage of gender and racial/ethnic group representation for (a) executive management, (b) non-executive management, and (c) all other employees	2.1 Professionalism Diversity 4.1 Inclusion	p.14 p.60
	SV-PS-330a.2	Quantitative	① Voluntary and ② involuntary turnover rate for employees	5.4 Workforce Statistics	p.112
	SV-PS-330a.3	Quantitative	Employee Engagement as a Percentage	4.1 Inclusion	p.52

SASB – Real Estate

Disclosure Topic	Accounting Metric	Category	Disclosure	Reference / Description	Page
Energy Management	IF-RS-410a.1	Quantitative	Revenue from energy and sustainability services	Not applicable	-
	IF-RS-410a.2	Quantitative	① Floor area and ② number of buildings under management that are provided with energy and sustainability services	Not applicable	-
	IF-RS-410a.3	Quantitative	① Floor area and ② number of buildings under management that have obtained an energy rating	The Chia Hsin Building obtained a Grade 1+ Energy Efficiency Rating in 2025. As of the end of 2025, the total floor area of certified properties was 33,942.27 m ² .	p.10
Management of Tenant Sustainability Impacts	IF-RS-510a.1	Quantitative	Revenue from dual agency brokerage transactions	Not applicable	-
	IF-RS-510a.2	Quantitative	Revenue from transactions associated with appraisal services	Not applicable	-
	IF-RS-510a.3	Quantitative	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care.	Not applicable	-

5.3 Participation in Public Associations

Chia Hsin Cement Corporation	Global Views ESG Alliance
	Young President's Organization
	Taiwan Stock Affairs Association
	Information Management Association of R.O.C.
	TALENT, in Taiwan
	Commonwealth Sustainability Association
	Taipei City Young President's Organization
	Importers & Exporters Association of Taipei
	Taiwan Institute of Directors
	Taiwan Women on Boards Association
	Taiwan Cement Manufacturers' Association
	Chinese National Federation of Industries
	Institute of Internal Auditors, R.O.C.
	Chinese International Economic Cooperation Association
	Mount Jade Science & Technology Association of Taiwan
Jaho Life Plus+ Management Corporation	Accounting Research and Development Foundation
	Taiwan Elderly Care Industry Association
	Epoch Foundation
(Strategic partner) Gemcare Maternity Center - Dunhua	Industrial Association of Taipei City
	Taipei Dietitian Association
Tong Yang Chia Hsin International Corporation	Taipei Nurses Association
	Importers & Exporters Association of Taipei
Chia Hsin Property Management and Development Corporation	The Property Management Development Association of Taipei
	Economic and Trade Development Association of Kaohsiung
YJ International Corporation	Transportation and Tourism Department of the Japanese Chamber of Commerce & Industry, Taipei
	The Japanese Chamber of Commerce & Industry, Taipei

5.4 Workforce Statistics

Total Workforce

Gender	Male: 220 (51.64%) Female: 206 (48.36%)	Male		Female		Total	
		No.	%	No.	%	No.	% of Total Workforce
Employment Type	Full-time	203	51.13%	194	48.87%	397	93.19%
	Part-time	17	58.62%	12	41.38%	29	6.81%
Age Group	Under 30	48	50.00%	48	50.00%	96	22.54%
	31–50	86	44.56%	107	55.44%	193	45.31%
	51 and above	86	62.77%	51	37.23%	137	32.16%
Position Level	Senior Management	12	60.00%	8	40.00%	20	4.69%
	Middle Management	17	60.71%	11	39.29%	28	6.57%
	First-line Management	39	60.00%	26	40.00%	65	15.26%
	Non-management	152	48.56%	161	51.44%	313	73.47%
Education Level	Master's degree or above	11	33.33%	22	66.67%	33	7.75%
	Bachelor's degree	149	53.02%	132	46.98%	281	65.96%
	Senior High School / Vocational High School	50	57.47%	37	42.53%	87	20.42%
	Below Senior High School	10	40.00%	15	60.00%	25	5.87%
Work Location	Taiwan	94	45.85%	111	54.15%	205	48.12%
	Japan	103	62.42%	62	37.58%	165	38.73%
	China	23	41.07%	33	58.93%	56	13.15%
Nationality	Taiwan	97	45.75%	115	54.25%	212	49.77%
	Japan	90	61.64%	56	38.36%	146	34.27%
	China	20	39.22%	31	60.78%	51	11.97%
	Nepal	10	76.92%	3	23.08%	13	3.05%
	Canada	1	100.00%	0	0.00%	1	0.23%
	Others	2	66.67%	1	33.33%	3	0.70%

Note: Workforce statistics are based on employees on payroll as of December 31, 2025. Percentages are rounded to two decimal places; therefore, totals may not equal 100% due to rounding.



New Hire and Turnover Rates

		New Hires		Employee Turnover		Voluntary Turnover		Involuntary Turnover		Retirement	
		No.	% of Total Workforce	No.	% of Total Workforce	No.	% of Total Workforce	No.	% of Total Workforce	No.	% of Total Workforce
Gender	Male	37	8.69%	33	7.75%	30	7.04%	2	0.47%	1	0.23%
	Female	47	11.03%	33	7.75%	29	6.81%	3	0.70%	1	0.23%
	Total	84	19.72%	66	15.49%	59	13.85%	5	1.17%	2	0.47%
Age Group	Under 30	39	9.15%	14	3.29%	13	3.05%	1	0.23%	0	0.00%
	31–50	31	7.28%	34	7.98%	32	7.51%	2	0.47%	0	0.00%
	51 and above	14	3.29%	18	4.23%	14	3.29%	2	0.47%	2	0.47%
	Total	84	19.72%	66	15.49%	59	13.85%	5	1.17%	2	0.47%
Position Level	Senior Management	0	0.00%	2	0.47%	2	0.47%	0	0.00%	0	0.00%
	Middle Management	4	0.94%	7	1.64%	7	1.64%	0	0.00%	0	0.00%
	First-line Management	11	2.58%	6	1.41%	5	1.17%	1	0.23%	0	0.00%
	Non-management	69	16.20%	51	11.97%	45	10.56%	4	0.94%	2	0.47%
	Total	84	19.72%	66	15.49%	59	13.85%	5	1.17%	2	0.47%
Work Location	Taiwan	38	8.92%	37	8.69%	33	7.75%	2	0.47%	2	0.47%
	Japan	38	8.92%	24	5.63%	24	5.63%	0	0.00%	0	0.00%
	China	8	1.88%	5	1.17%	2	0.47%	3	0.70%	0	0.00%
	Total	84	19.72%	66	15.49%	59	13.85%	5	1.17%	2	0.47%
Nationality	Taiwan	42	9.86%	39	9.15%	35	8.22%	2	0.47%	2	0.47%
	Japan	37	8.69%	22	5.16%	22	5.16%	0	0.00%	0	0.00%
	China	5	1.17%	3	0.70%	0	0.00%	3	0.70%	0	0.00%
	Nepal	0	0.00%	1	0.23%	1	0.23%	0	0.00%	0	0.00%
	Canada	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
	Others	0	0.00%	1	0.23%	1	0.23%	0	0.00%	0	0.00%
	Total	84	19.72%	66	15.49%	59	13.85%	5	1.17%	2	0.47%

Note: Employee turnover rate = Number of employee departures ÷ Total workforce at year-end

Comparison of Employee Turnover Rates

	Employee Turnover		Voluntary Turnover		Involuntary Turnover		Retirement	
	No.	% of Total Workforce	No.	% of Total Workforce	No.	% of Total Workforce	No.	% of Total Workforce
2025	66	15.49%	59	13.85%	5	1.17%	2	0.47%
2024	76	17.92%	67	15.80%	7	1.65%	2	0.47%

Employee Turnover Trends (2024–2025) by Gender and Age Group

2025	Male		Female		Total	
	No.	%	No.	%	No.	%
Under 30	7	1.64%	7	1.64%	14	3.29%
31–50	15	3.52%	19	4.46%	34	7.98%
51 and above	11	2.58%	7	1.64%	18	4.23%
Total	33	7.75%	33	7.75%	66	15.49%
Gender Distribution	50%		50%		100%	

2024	Male		Female		Total	
	No.	%	No.	%	No.	%
Under 30	9	2.12%	9	2.12%	18	4.24%
31–50	15	3.54%	30	7.08%	45	10.61%
51 and above	5	1.18%	8	1.89%	13	3.07%
Total	29	6.84%	47	11.08%	76	17.92%
Gender Distribution	38.16%		61.84%		100%	

Employee Turnover Trends and Analysis

The employee turnover rate decreased from 17.92% in 2024 to 15.49% in 2025, reflecting an overall improvement in workforce stability. Employees aged 31–50 continued to account for the largest share of departures; however, the number declined from 45 to 34, indicating reduced turnover among mid-career employees. Turnover among employees under 30 also declined slightly, supported by enhanced onboarding and retention initiatives. A modest increase in departures among employees aged 51 and above was primarily attributable to retirement and career planning. In addition, the proportion of female departures decreased from 61.84% to 50.00%, resulting in a more balanced gender distribution. CHC will continue to strengthen talent retention and career development programs to further enhance workforce stability.

Note 1: Employee turnover rate = Number of employee departures in each category ÷ Total workforce at year-end.

Note 2: Gender distribution of employee turnover = Number of employee departures by gender ÷ Total employee departures.

Note 3: Percentages may not total 100% due to rounding.

Employees Taking Parental Leave and Returning to Work

	2022		2023		2024		2025	
	Male	Female	Male	Female	Male	Female	Male	Female
Employees entitled to parental leave (A)	1	3	3	2	4	7	2	6
Employees who took parental leave (B)	0	0	0	1	0	2	0	4
Employees expected to return to work during the reporting year (C)	0	1	0	0	0	1	0	3
Employees who returned to work (D)	0	1	0	0	0	1	0	2
Employees still employed 12 months after returning to work (E)	0	0	0	0	0	0	0	1
Return-to-work rate after parental leave (D/C)	-	100%	-	-	-	100%	-	67%
Retention rate 12 months after returning to work (E/Previous Year's D)	-	0%	-	0%	-	-	-	100%

Notes:

- * Statistics cover Taiwan operations only.
- * Eligible employees are full-time employees with at least six months of service who have children under three years of age.
- * The number of employees entitled to parental leave is determined based on relevant records, including parental leave applications, paternity leave, maternity leave, childcare allowance records, and HR personnel records.

Compensation Information for Full-time Non-managerial Employees of Chia Hsin Cement Corporation

	2022	2023	2024	2025	Year-over-Year Change
Total Number of Employees	94	104	103	102	-0.97%
Employees with Less Than Six Months of Service	14	16	23	19	-17.39%
Number of Full-time Non-managerial Employees	74	75	67	71	5.97%
Total Compensation of Full-time Non-managerial Employees (NT\$ thousand)	64,600	65,157	73,615	77,077	4.70%
Average Compensation of Full-time Non-managerial Employees (NT\$ thousand)	873	869	1,099	1,086	-1.18%
Median Compensation of Full-time Non-managerial Employees (NT\$ thousand)	805	800	1,023	971	-5.08%

1. This table is prepared in accordance with the public disclosure requirements of the Taiwan Stock Exchange (TWSE) for compensation information of full-time non-managerial employees of domestic listed companies.
2. Managerial employees are defined in accordance with the Company's managerial positions and the scope prescribed by the competent authority, including the President, Vice Presidents, Assistant Vice Presidents, Heads of Finance and Accounting Departments, and personnel of equivalent rank, as well as individuals responsible for managing company affairs and authorized to sign on behalf of the Company. The scope is consistent with that of managerial officers disclosed in the Annual Report.
3. Compensation information for full-time non-managerial employees excludes managerial employees, employees of overseas subsidiaries, and part-time employees.
4. Total compensation includes base salary, overtime pay, various allowances, bonuses, incentives, meal allowances, travel allowances, and severance payments, but excludes pension and retirement benefits.

Average Monthly Compensation by Gender for Managerial and Non-managerial Employees Across the Group

Employee Category	Average Monthly Compensation (Male)	Average Monthly Compensation (Female)
Managerial Employees (Base Salary) <i>Excluding Senior Executives (e.g., President)</i>	80,933	74,535
Managerial Employees (Base Salary + Bonus) <i>Excluding Senior Executives (e.g., President)</i>	96,105	94,489
Non-managerial Employees (Base Salary)	45,976	42,296
Non-managerial Employees (Base Salary + Bonus)	55,079	49,409

Note: Includes overseas employees. (Compensation for all employees across the Group exceeds the statutory minimum wage in each country of operation.)



Average Annual Compensation of Senior Executives by Gender at Chia Hsin Cement Corporation

Average Annual Compensation of Senior Executives	Male	Female
Average Annual Compensation (NT\$ thousand)	N/A	3,661
Average Annual Compensation + Bonus (NT\$ thousand)	N/A	9,033

Note: The statistics cover Senior Executives (from Vice President to President) of Chia Hsin Cement Corporation. During the reporting period, all incumbents in these positions were female; therefore, no male data are available.

Employees in STEM (Science, Technology, Engineering, and Mathematics)-related Positions at Chia Hsin Cement Corporation

Gender	Male	Female
No.	7	3
Percentage	70%	30%

Human Capital Return on Investment (HCROI) Unit: NT\$

	2022	2023	2024	2025
Total revenue. (a)	2,253,659,000	2,911,583,000	2,985,357,000	3,015,357,000
Total operating exp. (b)	527,956,000	513,955,000	586,916,000	567,600,000
Total employee-related expenses (c)	287,365,000	281,753,000	317,707,000	314,167,000
HC ROI				
= (a - (b - c)) / c	7.01	9.51	8.55	8.79

Occupational Injury Statistics

Safety Metric	Full-time Employees	Contract Employees	Total
Occupational Fatalities / Fatality Rate	0/0	0/0	0/0
Lost Time Injury Frequency Rate (LTIFR)	4.97	0	4.97
Injury Frequency Rate (FR)	4.97	0	4.97
Severity Rate (SR)	69.53	0	69.53
Total Recordable Injury Rate (TRIR)	4.97	0	4.97
Near Miss Frequency Rate (NMFR)	0	0	0
Total Hours Worked	805,465	40,460	845,925

Notes :

- Occupational Fatality Rate = (Number of occupational fatalities ÷ Total hours worked) × 1,000,000
- Lost Time Injury Frequency Rate (LTIFR) = (Number of lost time injuries ÷ Total hours worked) × 1,000,000
- Injury Frequency Rate (FR) = (Number of disabling injuries ÷ Total hours worked) × 1,000,000
- Severity Rate (SR) = (Number of lost workdays due to disabling injuries ÷ Total hours worked) × 1,000,000
- Total Recordable Injury Rate (TRIR) = (Total recordable injuries ÷ Total hours worked) × 1,000,000
- Near Miss Frequency Rate (NMFR) = (Number of near misses ÷ Total hours worked) × 1,000,000
- The above statistics exclude commuting accidents.

Lodging Facility Employees

1. Employee Turnover Rate

(1) Voluntary Turnover Rate	14.55%
(2) Involuntary Turnover Rate	0%

Unit: NT\$

2. Compensation of Non-managerial Employees at Lodging Facilities

	Location	Male	Female
Average Hourly Wage	Japan	248	220
Percentage of Employees Earning Below the Minimum Wage	Japan	0%	0%

Note: The compensation of all employees exceeds the statutory minimum wage.

5.5 Reference Table for the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies

Sustainability Disclosure Indicators for the Cement Industry

No.	Indicator	Indicator Type	Reference / Description	Page	Unit	Notes
1	Total energy consumption, percentage of purchased electricity, and renewable energy utilization rate	Quantitative	3.3.4 GHG Emissions and Environmental Performance Indicators	p.55	1GJ; %	Purchased electricity: 100%; Renewable energy: 0%
2	Total water withdrawal and total water consumption	Quantitative	3.3.4 GHG Emissions and Environmental Performance Indicators	p.55	Thousand m ³	
3	Total waste generated, percentage of hazardous waste, and recycling rate	Quantitative	3.3.4 GHG Emissions and Environmental Performance Indicators	p.55	Metric tons (t); %	Hazardous waste: 0%
4	Number and rate of occupational injuries	Quantitative	5.4 Human Resources Statistics	p.114	Rate (%); Number	
5	Production volume by major product category	Quantitative	Not applicable, as CHC currently does not manufacture cement.	-	Varies by product category	

Climate-related Information for TWSE/TPEX Listed Companies (Annual Report Section 2.3.6)

Item	Reference / Description	Page
1. Describe the board's and management's oversight and governance of climate-related risks and opportunities.	Please refer to the 2025 Annual Report.	p.50
2. Describe how identified climate-related risks and opportunities affect the Company's business, strategy, and financial planning over the short, medium, and long term.	Please refer to the 2025 Annual Report.	p.50
3. Describe the impact of extreme climate events and transition actions on the Company's financial performance.	Please refer to the 2025 Annual Report.	p.50
4. Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the Company's overall risk management framework.	Please refer to the 2025 Annual Report.	p.50
5. If scenario analysis is used to assess resilience to climate-related risks, describe the scenarios, assumptions, analytical factors, and key financial impacts.	Please refer to the 2025 Annual Report.	p.50
6. If the Company has a climate-related transition plan, describe the plan, including the indicators and targets used to identify and manage physical and transition risks.	Please refer to the 2025 Annual Report.	p.51
7. If internal carbon pricing is used as a decision-making tool, describe the basis for determining the internal carbon price.	Please refer to the 2025 Annual Report.	p.51
8. If climate-related targets have been established, describe the activities covered, the scope of greenhouse gas emissions, the planning horizon, annual progress toward achieving the targets, and, if carbon offsets or renewable energy certificates (RECs) are used, the sources and quantities of the carbon credits or RECs.	3.1.2 Environmental Policy and Governance Oversight Indicators No carbon offsets or renewable energy certificates (RECs) are currently used.	p.40
9. Greenhouse gas inventory and assurance, including emission reduction targets, strategies, and action plans.	Please refer to 3.2.1 Emission Reduction Targets and Roadmap (p.42), 3.3.3 Renewable Energy Planning and Carbon Reduction Initiatives (p.52), and 5.5 Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE/TPEX Listed Companies – Greenhouse Gas Inventory and Assurance Information (p.116).	p.42 p.52 p.116



Greenhouse Gas Inventory Information

Company Profile

- Companies with paid-in capital of NT\$10 billion or more in the steel and cement industries.
- The parent company has been required to conduct a greenhouse gas inventory since 2023, while subsidiaries included in the consolidated financial statements have been required to do so since 2025.

The Group has established its greenhouse gas inventory system in accordance with ISO 14064-1. Since 2022, greenhouse gas emissions of the parent company and subsidiaries included in the consolidated financial statements have been inventoried annually to comprehensively understand greenhouse gas emissions and evaluate the effectiveness of emission reduction initiatives. In addition, greenhouse gas inventory data for the past two years have been compiled using the operational control approach, covering the parent company and all subsidiaries included in the consolidated financial statements, as summarized below.

Category		2024		2025	
		Emissions (tCO ₂ e)	Emission Intensity (tCO ₂ e/NT\$ million revenue)	Emissions (tCO ₂ e)	Emission Intensity (tCO ₂ e/NT\$ million revenue)
Parent Company	Scope 1	9.9904	0.003	9.7195	0.003
	Scope 2	3.7463	0.001	8.9998	0.003
Subsidiaries Included in the Consolidated Financial Statements	Scope 1	942.4246	0.316	938.4800	0.311
	Scope 2	6821.1611	2.285	6,782.7468	2.250
Total		7777.3224	2.605	7739.9461	2.567

Note: Revenue for 2024 and 2025 amounted to NT\$2,985 million and NT\$3,015 million, respectively.

Greenhouse Gas Assurance Information

Company Profile

- The parent company has been required to obtain greenhouse gas assurance since 2024.
- Subsidiaries included in the consolidated financial statements will be required to obtain greenhouse gas assurance beginning in 2027.

In accordance with the Sustainability Development Roadmap, the Company has obtained reasonable assurance over its Scope 1 and Scope 2 greenhouse gas emissions for the parent company since 2020. In 2024 and 2025, the assurance scope was expanded to cover the greenhouse gas emissions of all subsidiaries included in the consolidated financial statements.

The assurance engagement was conducted by BSI Group Singapore Pte. Ltd., Taiwan Branch in accordance with Assurance Standard No. 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the Accounting Research and Development Foundation of Taiwan, and ISO 14064-3:2018, published by the International Organization for Standardization (ISO).

For both reporting years, the assurance provider issued an unmodified reasonable assurance opinion, indicating that the greenhouse gas emissions data within the assurance boundary are presented fairly, in all material respects, and are of a high level of reliability.

5.6 Taiwan Sustainable Taxonomy

CHC has identified one economic activity that falls within the scope of the Taiwan Sustainable Economic Activities Reference Guidelines, representing **33%** of its domestic revenue and **24%** of the Group's total revenue.

CHC has identified one economic activity that is aligned with the Taiwan Sustainable Economic Activities Reference Guidelines, representing **33%** of its domestic revenue and **24%** of the Group's total revenue.

Steps	Domestic Economic Activities of Chia Hsin Cement Corporation	
1. Identification of the company's primary economic activities and their share of total revenue in the past year.	Infrastructure supporting low-carbon water transport	Others
	33%	67%
2. Assessment of whether the primary economic activities align with the "General Economic Activities" or "Supportive Economic Activities" as defined by the taxonomy.	Supportive economic activities	Not eligible
3. Evaluation of whether the activities meet the criteria for sustainable economic activities based on the following three conditions:		
a. Whether they meet the technical screening criteria for "substantial contribution to any of the environmental objectives"	Yes	
b. Whether they "do not cause significant harm to the other five environmental objectives."	Yes	
c. Whether they "do not cause significant harm to social safeguards."		Not eligible
4. Whether an improvement plan has been established. Assessment outcome: Compliance status of individual economic activities with the taxonomy.	Yes	Not eligible

5.7 UN Global Compact – 10 Principles Mapping Table

Category	10 Principles	Report Contents or Explanation	Corresponding Section
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	CHC recognizes and supports internationally recognized human rights standards and put efforts to respect and protect human rights with practical actions, following the laws and regulations related to labor and gender work equality within the designated jurisdiction, and prevent any violations to human rights.	4.2 Well-being
	Principle 2: Make sure that they are not complicit in human rights abuses	Suppliers are requested and contractually abide to follow the labor human rights and ethical management policy.	2.7 Responsible Procurement
Labor	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	CHC maintains a positive labor relationship and a harmonious working environment, regularly holds labor-management meetings, provides a smooth communication channel, and creates a harmonious and win-win labor-management relationship.	4.2 Well-being
	Principle 4: The elimination of all forms of forced and compulsory labor	CHC follows Labor Standards Act and refuses forced and compulsory labor.	4.2 Well-being
	Principle 5: The effective abolition of child labor	CHC refuses illegal child labor recruitment.	4.2 Well-being
	Principle 6: The elimination of discrimination in respect of employment and occupation	CHC follows the Labor Standards Act and ensures that the employment policy is non-discriminatory.	4.2 Well-being
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges	CHC values environmental sustainability, conducts greenhouse gas inventory in response to climate change and global warming, implements energy conservation, carbon reduction and water conservation, improves energy efficiency, reduces impact on the environment, and controls environmental risks.	3.1 Climate Governance 3.2 Climate Action
	Principle 8: Undertake initiatives to promote greater environmental responsibility	CHC has established an environmental and energy management system and set continuous improvement goals, and additionally CHCs considers energy efficiency and environmental protection, when purchasing and selecting suppliers to reduce impact on the environment.	3.3 Environmental Management and Energy & Resource Efficiency
	Principle 9: Encourage the development and diffusion of environmentally friendly technologies	CHC actively introduces international certification standards related to environmental sustainability and implements relevant environmental and ecological protection measures when developing new business projects, making the buildings environmentally friendly and livable from the aspects of building design, construction and operation to promote a healthy and quality environment.	3.3 Environmental Management and Energy & Resource Efficiency
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	CHC has a dedicated department for corporate integrity management, and has established a reporting system as well as formulated internal regulations such as the “Code of Integrity Management” , “Code of Ethical Conduct” and “Ethical Management Best Practice Principles” to regulate corruption of any forms. In addition, CHC has integrated integrity management in the work rules and related operating procedures. Furthermore, internal publicity, education and training, integrity management is carried out for all employees group wide, and CHC is able to maintain a corporate culture of anti-corruption and integrity management.	2.6 Ethical Management



Chia Hsin Cement Group
Business Scope

B to B

Cement

Chia Hsin Cement Corp.
Tong Yang Chia Hsin Intl. Corp.

Property Management

Chia Hsin Property Management & Development Corp.

Warehousing and Storage

Chia Pei Intl. Corp.

B to C

Hospitality

Hotel

Health Care



HOTEL COLLECTIVE



人之初
產後護理之家
Gencore Maternity Center

Collective Elements

InterContinental Okinawa
Chura SUN Resort

Fit Collective



Chia Hsin
Cement Group
Website



Chia Hsin
Cement Group
Facebook



Hotel
Collective
Website



Gemcare
Maternity
Center Website



Sustainability
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Annual
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